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The United States Department of Agriculture, 1961-1989

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Part 1

The Kennedy-Johnson Administration

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Introduction

Although the United States is no longer primarily a nation of farmers, agriculture remains its largest single industry. The agricultural sector, comprising farmers, agricultural suppliers, food and fiber processors and retailers, agricultural transporters, and others whose business deals with agriculture make up 17 percent of the gross national product. The Department of Agriculture was established in 1862 to serve mainly farmers. Since then its functions have grown to include the entire population. The Department assists farmers through programs for price support and adjustment, export development, credit, research, education, marketing, conservation, and other areas. However, its food policies, rural development efforts, consumer education, nutrition research, forestry work, and recreation programs affect Americans regardless of where they live.

Today the U.S. Department of Agriculture is the sixth largest department of government in the country, with some 95,000 full-time, permanent employees and a budget of about $62 billion. Nearly 90 percent of its employees work outside Washington, DC, close to the people they serve. The first 100 years of USDA history was related in a previous book, Century of Service: The First 100 Years of the United States Department of Agriculture. The present volume covers the period since 1961, examining the Department's internal workings, its politics and programs, and the environment in which they were shaped. The past 30 years have seen a continuation of previous trends toward consolidation and specialization in agriculture and the ever greater application of science to farming. At the same time, new developments in such areas as the environment, forestry, food safety, and agricultural exports have created a new agenda of issues which has affected many USDA operations. This is the story of the Department of Agriculture's response to its developing world.

1. The Changing Face of Agriculture

The decade and a half following World War II witnessed a profound transformation in American agriculture. Earlier farming in most parts of the country had been characterized by a large number of relatively small farms producing a variety of crops with little use of chemical fertilizers and pesticides or large machinery. The World War II era speeded up mechanization and led to the first intensive use of chemicals to boost yields and attack insects and weeds. These factors, combined with more efficient farm management and better seed and feed, launched an era of rising productivity and increasing specialization. General farms, with their mix of several kinds of livestock and crops, gave way to larger and less diversified farms. These farms were more highly capitalized and depended more on credit than their predecessors. Just as the Civil War era had constituted a technological revolution for agriculture, the years after World War II formed a second period of revolutionary change.[1]

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[1] Wayne D. Rasmussen, "The Impact of Technological Change on American Agriculture, 1862-1962," Journal of Economic History, 22 (December 1962), 578-591.

This reorganization of agriculture owed much to programs of the U.S. Department of Agriculture. Research conducted or sponsored by USDA at experiment stations across the country had laid the technological groundwork. The Department's Extension programs carried the news of important developments directly to farmers. Price support programs kept farm prices high between World War II and the mid-1950's, providing both the incentive and the means to increase productivity. The Department actively encouraged production during World War II and the Korean War. Wartime shortages of labor added a further inducement for mechanization.

The new era in agriculture did not come about without problems. While many farmers prospered and expanded their operations, others could not afford the capital expenditures necessary to increase productivity. This was especially true for small farmers and tenant farmers, many of whom had neither the land nor the capital to farm economically. Sharp gains in productivity brought back the old problem of surplus production. Farmers who had gotten fewer than 33 bushels of corn per acre in 1945 were averaging over 53 bushels by 1960. Cotton planters pushed average yields from 254 pounds per acre in 1945 to 446 in 1960. Milk per cow advanced by over 45 percent during the same years. Combined with demand that increased only slowly after the Korean War, these gains caused wholesale farm prices to drop 17 percent between 1952 and 1960 while net farm income slipped by over 21 percent.[2] Economically marginal farmers found it more difficult to compete under these new conditions. Overall, the number of farms in the U.S. fell from 5.9 million in 1945 to just under 4.0 million in 1960. The strong national economy helped many farmers find other work. Other farmers, especially Southern blacks who left in increasing numbers for Northern cities, found only meager opportunities. Many joined the ranks of the unemployed. Rural areas had been historically dependent on farm families to support local businesses. Rural economies were hurt by the exodus from farming even as urban poverty grew. Farm population as recently as 1940 made up 23 percent of the U.S. total. By 1960 it accounted for just 8.7 percent. Even in rural areas, persons living on farms comprised less than a quarter of the population in 1960.[3]

By the late 1950's the agricultural policy agenda was changing in response to new problems. Concern about declining rural areas, dissatisfaction with high commodity supports and mounting surpluses, and a new awareness of the effects of agricultural chemicals on the environment were leading to fresh policy initiatives. Programs of the New Deal era covering agricultural stabilization, conservation, and numerous other areas were

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[2] The parity ratio--a ratio that roughly measures the buying power of farm commodities--also dropped, from 100 in 1952 to 80 in 1960. U. S. Department of Agriculture, Agricultural Statistics, 1962 (Washington: Government Printing Office, 1963), 35, 75, 510, 558, 559.

[3] Ibid., 512, 524; Agricultural Statistics, 1976, 416; Wayne D. Rasmussen and Douglas E. Bowers, "Rural America in the Twentieth Century," in Mark Drabenstott and Lynn Gibson, ed., Rural America in Transition (Kansas City, MO: Federal Reserve Bank of Kansas City, 1988), 5-6.

still in place. But the revolution on the farm prompted a re-evaluation of many old programs in light of changing conditions.

USDA Evolution and Organization

The U.S. Department of Agriculture was also evolving during the postwar era, in part due to changes in agriculture. Federal agricultural work had begun in the 1830's with the collection of data and distribution of trial seeds by the Patent Office. With the establishment of a separate Department of Agriculture in 1862, the statistics program was enlarged and USDA began to do research. By the turn of the century the Department had ventured into regulatory work (such as inspection and grading), disease control, and road building. By World War I farm credit and economic research had been added. It was the New Deal era of the 1930's, though, that brought about the creation of the modern Department of Agriculture. In a massive effort to alleviate the Depression as well as stabilize agriculture, the Department under Henry A. Wallace became one of the central agencies of the New Deal with new programs for price support, acreage reduction, marketing orders, land use, conservation, resettlement, rural electrification, food distribution, low-income credit, and crop insurance, as well as significant expansion of earlier programs. Between 1930 and 1940 employment in USDA grew from about 25,000 to over 100,000, making it second only to the Post Office as the largest civilian federal agency. USDA's new South Building, finished in 1937, was the biggest office building in the country before the Pentagon.[4]

USDA's organization kept pace with its growth. Like many federal departments, USDA had developed a number of strong bureaus organized along disciplinary lines for research and regulation. The New Deal added several agencies designed to implement action programs, such as price supports and resettlement. After World War II, concern about proliferating bureaucracies brought about a rethinking of these relatively decentralized forms of organization. The Hoover Commission, which studied the whole federal bureaucracy at the request of Congress, reported in 1949 that government needed a substantial streamlining to clarify the chains of authority, prevent duplication, and strengthen the hands of department secretaries over subordinate agencies. Influenced by this report, Secretary Ezra Taft Benson in 1953 broke up the old bureau system and transferred some research functions to action agencies. The action agencies, many of which now had "Service" in their titles, were organized into four broad groupings: federal-states relations, marketing and foreign agriculture, agricultural stabilization, and agricultural credit.[5]

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[4] Gladys L. Baker, et. al., Century of Service: The First 100 Years of the United States Department of Agriculture (Washington: Government Printing Office, 1963), 130, 245-246.

[5] Ibid., 374-381; Matthew A. Crenson and Francis E. Rourke, "By Way of Conclusion: American Bureaucracy since World War II" in Louis Galambos, ed., The New American State: Bureaucracies and Policies since World War II (Baltimore: Johns Hopkins University Press, 1987), 139-141.

Important as the Hoover Commission report was for USDA, in some ways the Department stood apart from the general postwar trends in government. The fastest period of bureaucratic growth--in terms of sheer numbers--was between 1940 and the 1960's, when federal civilian employment surged from just over 1 million to 2.5 million in 1962.[6] USDA employment, however, had reached its virtual peak by 1940, when it accounted for one in ten civilian federal jobs. Similarly, the Department was ahead of other agencies in sharing decision-making with state and local governments, an idea that would become popular in the White House under Richard Nixon and later presidents. In its research and extension programs USDA cooperated with state universities (and, in the case of extension, with local governments), which provided some of the funding and had an important say in what projects to undertake. The price support, conservation, and credit programs growing out of the 1930's utilized committees of local citizens to implement program regulations. Likewise pilot rural development programs of 1950's brought local citizens groups into the planning process. USDA also relied on a variety of user advisory committees for policy recommendations. By 1960 USDA had matured into a complex agency, combining central direction with state and local input.[7]

The Changing Policy Environment

The environment in which USDA operated was undergoing some significant changes in the 1950's. The Department's main support had long come from the farm community and related interests. That support remained strong, but the drop in farm numbers after World War II threatened to diminish agriculture's political strength. Not only did farmers make up barely 8.3 percent of the labor force in 1960, the Supreme Court's 1964 decision to require legislative districting on the basis of population rather than geographical area eroded the power of agricultural districts in legislative bodies.[8] In Congress, however, agriculture remained a potent force despite a shrinking number of representatives from farm districts. Because the House and Senate usually deferred to committees on specialized legislation, most decisions relating to agricultural matters were made in the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry. Without exception, these committees in 1961 were composed of members representing rural areas. Both committees had a strong core of senior members--one-third of the House committee and nearly half its Senate counterpart had served 12 years or more. Thus, agricultural bills were written by friendly committees whose members enjoyed a respectful

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[6] Louis Galambos, "By Way of Introduction," in Galambos, ed., New American State, 13-14.

[7] Crenson and Rourke, "American Bureaucracy since World War II," 146-160; Baker, et. al., Century of Service, 24-25, 81-82, 159-161, 195-200; U. S. Civil Service Commission, Semi-Annual Report of Employment, Executive Branch of the Federal Government (Washington: Civil Service Commission, 1940), Table 2.

[8] Gilbert C. Fite, American Farmers: The New Minority (Bloomington: Indiana University Press, 1981), 137-138, 150-152.

hearing on the floor. Most of the senior positions were held by southerners, giving southern crops especially favorable consideration.[9]

USDA worked closely with the Agriculture Committees in writing farm bills. Each administration made many proposals, but it was Congress that determined what became law. During the 1950's both the Truman and Eisenhower administrations found it difficult to get their proposals to revamp farm legislation through a Congress committed to high price supports. In addition to the Agriculture Committees, the Appropriations Committees handled many aspects of USDA administration and budget, including its large research and education programs. Both Appropriations Committees had agricultural subcommittees. The House Subcommittee on Department of Agriculture and Related Agencies Appropriations took a particularly strong interest in USDA affairs. Its chairman, Jamie Whitten of Mississippi, had, by 1961, led the subcommittee for more than a decade and had become an authority on a number of USDA programs.

Within the executive branch the Department remained the primary agency dealing with agricultural and rural matters. Presidents had traditionally left such subjects to their Secretaries of Agriculture with relatively little interference or direction from the White House except for budgeting and issues like foreign trade which cut across departmental lines. President Eisenhower, in particular, aimed for a strong cabinet government which allowed maximum discretion to departmental secretaries. Eisenhower had an agricultural advisor but looked to Secretary Benson for most agricultural policy matters. His last agricultural advisor (and Food for Peace Coordinator), Don Paarlberg, had come to the White House after several years service in USDA. Subsequent Presidents would be too preoccupied with national security and foreign affairs to pay much attention to agriculture.[10]

2. The Kennedy Administration, 1961-1963

Agriculture played an important part in the 1960 presidential election. Both John F. Kennedy and Richard M. Nixon made campaign swings through rural areas in order to attract farm votes. The Democratic platform had promised to raise farm income to full

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[9] Twelve of 36 House Agriculture Committee members and 7 of 17 Senate Agriculture and Forestry Committee members from 1961 had been elected in 1948 or before. The 10 most senior House and 5 most senior Senate committee Democrats were southerners; U.S. Congress, Congressional Directory (Washington: Government Printing Office, 1961), 233, 245; Charles O. Jones, "The Agriculture Committee and the Problem of Representation," in Robert L. Peabody and Nelson W. Polsby, New Perspectives on the House of Representatives (Chicago: Rand McNally College Publishing Company, 1977), 170-173.

[10] Washington News, November 18, 1957; Stephen J. Wayne, The Legislative Presidency (New York: Harper & Row, 1978), 36-39; Thomas E. Cronin, "Presidents as Chief Executives," in Rexford G. Tugwell and Thomas E. Cronin, The Presidency Reappraised (New York: Praeger, 1974), ...

parity levels and vigorously find ways to use the country's abundance of food and fiber. Kennedy, with advice from University of Minnesota agricultural economist Willard W. Cochrane and John Kenneth Galbraith of Harvard University, went beyond the platform to propose a program of supply management and stepped-up foreign aid. Kennedy criticized Secretary Benson for policies which Kennedy blamed for creating surpluses and lowering farm prices. Nixon, realizing that falling prices had made the Secretary unpopular in many farm areas, put some distance between himself and Benson. Nixon's program sought ways to dispose of surpluses domestically and overseas while protecting farm income with a minimum of government interference, such as through voluntary land retirement.[11]

Orville L. Freeman and the New USDA Staff

Kennedy won the election narrowly and without much support from farm areas, particularly in the Midwest. In choosing a Secretary of Agriculture, though, he wanted someone from a major farm state who also could represent the Democratic views expressed in the campaign. The new president distrusted the federal bureaucracy and hoped to find a Secretary who would support administration policy and be strong enough to defend that policy when it came into conflict with farm groups or Congress. He also wanted someone willing to assume the burden for an area of policy which Kennedy himself had little knowledge of or interest in. After looking without success at various farm leaders, Kennedy turned to Minnesota Governor Orville L. Freeman. Freeman, who had nominated Kennedy at the Democratic convention and had recently lost his bid for a fourth term as Minnesota's governor, fit the President's image of what a Secretary of Agriculture should be. Freeman had no direct connections to agriculture or agribusiness. Although he had worked on his grandfather's farm while growing up, Freeman was a lawyer by profession. Indeed, he had at first insisted to Kennedy that, considering the state of the farm economy, he would rather have any job except the Department of Agriculture. But while visiting Latin America after the election he became convinced that the U.S. could both attack the farm problem and greatly assist underdeveloped countries and poor people within America if the country would try to use its agricultural abundance rather than accumulate it in government storage bins. Kennedy believed Freeman's lack of ties to agricultural interests would enable him to approach the subject with a fresh mind. The appointment was announced December 15, 1960. Freeman became one of several relatively youthful World War II veterans in the Cabinet. At 42, he was the youngest Secretary of Agriculture appointed up to that time.[12]

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[11] New York Times, July 13, 25, August 22, September 23, 25, October 28, 1960; Washington Post, August 13, September 23, 1960; Wall Street Journal, September 19, 1960.

[12] Kennedy had also considered Freeman as a possible vice presidential nomination, before offering it to Lyndon Johnson; Arthur M. Schlesinger, Jr., A Thousand Days: John F. Kennedy in the White House (Boston: Houghton Mifflin Co., 1965), 17, 39-41, 143-144, 147; Theodore C. Sorensen, Kennedy (New York: Harper & Row, Publishers, 1965), 276-277; Theodore H. White, The Making of the President, 1960 (New York: Antheneum

Freeman's agricultural views fit in well with the administration's. His main agricultural advisor in Minnesota had been the same economist who advised Kennedy on farm policy during the campaign, Willard Cochrane. Kennedy, in turn, was receptive to Freeman's enthusiasm for food aid as a means of building closer relations with poorer countries as well as a partial solution to the problem of surpluses. Shortly after his nomination, Freeman conferred with Secretary Benson to arrange an orderly transfer within the Department to a new administration. On January 13 Freeman appeared before the Senate Agriculture Committee and gained its approval without opposition. Knowing that the new farm program represented a considerable departure from the previous administration, Freeman took care to have major farm leaders meet with President Kennedy in early January. Later in the month he assembled a task force from a variety of farm experts and groups, including the American Farm Bureau Federation and National Farmers Union, to plan an emergency grain program. Freeman would enjoy a warm relationship with the Farmers Union throughout his tenure but a much rockier one with the Farm Bureau.[13]

Freeman's appointments within the Department reflected both his own point of view and the President's wish that his Northern background be balanced by Southerners in important positions. For the number two post, Under Secretary, Freeman chose Charles S. Murphy, a North Carolinian who, like Freeman, was a lawyer. Murphy also had legislative experience in the Senate Office of the Legislative Counsel. For his six appointments at the Assistant Secretary and Director level, Freeman picked five Southerners and a varied array of farm group leaders. Joseph M. Robertson of Kentucky, who had been Minnesota's commissioner of taxation and a Census Bureau official, became Administrative Assistant Secretary. John P. Duncan, Jr., president of the Georgia Farm Bureau Federation, became Assistant Secretary for Marketing and Foreign Agriculture. Frank J. Welch, dean of the College of Agriculture at the University of Kentucky, was appointed Assistant Secretary for Federal-States Relations. Tennessean James T. Ralph, most recently director of the California State Department of Agriculture, became Assistant Secretary for Agricultural Stabilization. John A. Baker, an Arkansas-born agricultural economist who had served in several USDA agencies, became the new Director of Agricultural Credit. Before returning

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Publishers, 1965), 227-278, 351; Orville L. Freeman, "Economic Research Service: Guide to the Future," in Economic Research Service, Economics and Public Service: Proceedings of the 30th Anniversary ERS Conference (Washington: Economic Research Service, July 1991), AGES 9138, 96-105; Wallaces Farmer, December 3, 1960; Wall Street Journal, December 16, 1960; Washington Post, December 16, 1960; Washington Star, January 10, 1961; "Biography of Secretary of Agriculture Orville L. Freeman," U.S. Department of Agriculture, processed, January, 1961; Time, April 5, 1963, 21-25.

[13] U.S. Senate, 87th Congress, 1st Session, Congressional Record, January 21, 1961, 995-996; Washington Post, December 21, 1960, January 14, 29, 1961; New York Times, January 6, 1961; Letter from Orville L. Freeman to Charles B. Shuman, October 20, 1967, Orville L. Freeman Chronological File, Lyndon Baines Johnson Library.

to the Department, Baker had served as the National Farmers Union's director of legislative services. Finally, Freeman brought with him Minnesota economist Willard W. Cochrane to the be first Director of Agricultural Economics. In addition, he named North Carolina State Grange master Harry Caldwell to chair the national Agricultural Advisory Commission.[14]

With the new team in place at USDA, Kennedy and Freeman moved to implement their agricultural program immediately after the inaugural. The President's first Executive Order expanded the domestic food distribution program. This was followed shortly by a pilot food stamp program and the enhancement of the Food-for-Peace effort by putting it in the Executive Office of the President and by the appointment of George McGovern as its director. The administration also acted quickly on its farm program, pushing an emergency grain plan through Congress in March to cut production and pay farmers partly in kind in order to reduce surplus stocks. Benson had tried with only partial success to get Congress to loosen its tight controls over agriculture and return to a market-oriented policy. The new administration took a different course, putting together proposals for a long-term system of mandatory marketing quotas to attack the surplus problem and reduce government expenditures. During the spring the administration persuaded Congress to support an expanded rural development program. The administration's views were summarized in the President's Special Message to the Congress on Agriculture on March 16. Reiterating the paradox of distressed farmers in a land of agricultural abundance, Kennedy outlined his program, which called for price support reform, improved distribution of food domestically and abroad, encouragement of cooperatives, expansion of rural development, liberalized farm credit, more efficient use of forest resources, and accelerated conservation efforts.[15]

USDA Buildings and Organization

USDA's nearly 12,000 Washington area employees were concentrated in a headquarters complex near 14th Street and Independence Avenue, SW comprising the Administration Building, South Building, and Cotton Annex. The Agricultural Research Center in Beltsville, Maryland housed a large contingent from the Agricultural Research Service and some agencies rented space in private buildings. As Freeman undertook his new agenda, he also reorganized portions of the Department to facilitate his goals. His first move, effective April 3, 1961, was to bring most of the Department's economists and statisticians together in two new agencies, the Economic Research Service and the

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[14] Baker, et. al., Century of Service, 403-404; Carl M. Brauer, Presidential Transitions: Eisenhower Through Reagan (New York: Oxford University Press, 1986), 82-83.

[15] USDA, Press Release, 197-61, January 24, 1961; John F. Kennedy, "Memorandum to Federal Agencies on the Duties of the Director of the Food-for-Peace Program," January 24, 1961; Special Message to the Congress on Agriculture, March 16, 1961, Public Papers of the Presidents of the United States: John F. Kennedy...1961 (Washington: Government Printing Office, 1962), 6, 192-200; Schlesinger, Thousand Days, 168-170.

Statistical Reporting Service, both under a Director of Agricultural Economics. This was a reconstitution of the old Bureau of Agricultural Economics and permitted the Office of the Secretary to more readily use economic analysis in making policy. To assist in promoting exports, the General Sales Manager and Barter and Stockpiling Division of the Commodity Stabilization Service were transferred to the Foreign Agricultural Service. CSS, meanwhile, picked up conservation functions and work on marketing orders and agreements. On June 5 it was reorganized as the Agricultural Stabilization and Conservation Service (ASCS). On July 19, 1961, following the advice of the land-grant colleges, experiment station work was put in a separate Cooperative State Experiment Station Service.[16]

Freeman made further changes in USDA organization as the Kennedy administration progressed. On February 1, 1962 the Department's defense work was divided between the various agencies to integrate it better with agency programs. The Secretary appointed an assistant to deal with defense matters and a USDA National Defense Board. In response to the Billie Sol Estes scandal (in which Estes was charged with bribing USDA employees in a cotton and grain manipulation scheme), Freeman reorganized ASCS along functional rather than commodity lines to give greater responsibility to state and local offices.[17] During the same period, on June 25, 1962, he set up the Office of the Inspector General, reporting directly to the Secretary, to strengthen internal audit and investigation operations. The OIG replaced a dozen separate and poorly coordinated offices around the Department and gave USDA the ability to conduct extensive investigations into possible illegal or unethical activities independent of the agencies involved. The first Inspector General, Lester P. Condon, had previous experience with the FBI and the Federal Housing Authority. In 1963 OIG opened seven regional offices to enable his staff of 800 auditors and investigators to respond quickly to problems in USDA's far-flung offices. Unlike other federal law enforcement officials, who often carried firearms and made arrests, OIG combined both auditing and investigation and had a positive role in improving USDA management as well as rooting out improprieties. Conlon summed up the office's initials to mean "objectivity, integrity, and good will." The Department's other legal entities were the Office of the General Counsel, created in 1955 to replace the 50-year old Solicitor's Office, and the Office of Hearing Examiners, which since 1946 had held public hearings involving USDA marketing regulations. Freeman appointed John Bagwell, who had held a similar position in the Farm Credit Administration, as General Counsel in 1961 and retained G. Osmond Hyde as Chief of the Office of Hearing Examiners.[18]

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[16] Secretary's Memorandum No. 1446, February 24, 1961; No. 1458, June 14, 1961; No. 1462, July 19, 1961.

[17] USDA, Press Release, 4012-62, November 15, 1962; Office of the Secretary, "Secretary Freeman, 1961--," unpublished manuscript, processed, [1963], pp. 2-4; Sorensen, Kennedy, 276; Washington Post, December 16, 1962; New York Times, October 12, 1964.

[18] The Office of the Inspector General had originally been called the Office of Internal Audit and Inspection; its name was changed on August 27, 1962. USDA, Press Release, #2593-62, July 19, 1962, #3913-67, December 13, 1967; USDA, Secretary's Memorandum

In 1962-63 the Secretary realigned agency groups to expand the number reporting to him from seven in 1961 to nine. Agricultural Economics, Departmental Administration, the Office of the General Counsel, and Federal-States Relations remained essentially the same, although the latter grouping continued without an assistant secretary. As assistant secretary positions required Congressional approval, the Secretary preferred to use that slot for another area. In March 1963 he requested an additional assistant secretary, pointing out that USDA had fewer than seven other departments despite being larger than most of them. Congress, however, took no action on the request and USDA remained with just four.

The major rearrangement was in the areas of marketing, foreign agriculture, rural development, and agricultural stabilization (that is, price support and adjustment programs). In 1961 marketing and foreign agriculture were tied together and the stabilization agencies were under an assistant secretary. By August, 1963 marketing had its own assistant secretary and the Agricultural Marketing Service would in 1965 be renamed the Consumer and Marketing Service to reflect its greater consumer orientation. Foreign affairs was put under an Assistant Secretary for International Affairs. Director of Agricultural Credit, John Baker, was now Assistant Secretary for Rural Development and Conservation with agencies that handled cooperatives, forests, electrification, credit, and soil conservation. The stabilization programs were assigned directly to Under Secretary Charles Murphy to reflect "the key importance of the commodity, price support and adjustment programs in the Department's broad array of services...." Murphy also handled budget and program development. This division of responsibilities left the Secretary free to concentrate on areas that interested him, such as rural development, foreign agriculture, natural resources, and research.[19]

Information Work

The Department's information work continued under the leadership of R. Lyle Webster, who had been Director of the Office of Information since 1951. Following Webster's retirement in 1963, his long-time assistant, H. R. Lewis, succeeded to the post. The Office of Information played a major role in celebrating the Department's centennial in 1962. In addition to a centennial history and special Yearbook, the celebration included

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No. 1503, June 25, 1962; ibid. No. 1524, December 21, 1962; Walter Gellhorn, When Americans Complain: Governmental Grievance Procedures (Cambridge, MA: Harvard University Press, 1966), 117-121; Lester P. Condon, "How U.S. Department of Agriculture Sees Its Role in Federal Law Enforcement," Speech before Maryland-Delaware Press Association, Baltimore, Maryland, February 26, 1965; USDA, Press Release, #2252-63, July 5, 1963.

[19] U.S. Department of Agriculture, Economic Research Service, Agricultural History Branch, "The Department of Agriculture During the Administration of President Lyndon B. Johnson, November 1963-January 1969," processed, 769-770, 778-779; USDA Employee News Bulletin, August 28, 1963.

a speakers' bureau, a media information kit, a photo exhibit, and what was billed as the first American film festival devoted exclusively to agricultural films. Relations with the press were sometimes troublesome during the Freeman years. Retiring press secretary John C. Obert noted somewhat ruefully the rise of "cause" journalism pursued by reporters committed to social change. Even when the Department was doing the best it could within its budget to, for example, reduce rural poverty, the press seemed to prefer depicting USDA as the culprit rather than part of the solution, he complained. When AMS began its Market News Service in 1963, permitting USDA news releases to be sent directly to newspapers, it faced strong protests from wire services which charged the government with attempting to manage the news and making unfair competition against private enterprise.[20]

3. The Johnson Administration, 1963-1969

After President Kennedy's assassination on November 22, 1963, Freeman remained on as Secretary of Agriculture. White House relations, though, soon changed to reflect the style of the new President, Lyndon B. Johnson. Johnson preferred a more direct, hands-on approach to government in contrast to Kennedy, who usually chose to work through staff and Cabinet members. Joseph Califano, who became domestic policy coordinator in 1965, organized a policy staff with aides who kept track of each department. Harry McPherson was the aide assigned to cover USDA. Although President Johnson owned a Texas ranch which produced cattle, his own policy interests ran to foreign affairs, poverty, and other areas rather than agriculture. Thus, USDA, as under Kennedy, did not receive the close attention that some other departments did. Nevertheless, Johnson's staffing arrangements tended to strengthen White House influence over policy in all areas.[21]

Moreover, from the point of view of the White House, agriculture (like many other domestic issues) appeared confusing and hard to coordinate. This was especially true when USDA functions had to fit in with central administration themes that cut across agency lines, such as the War on Poverty and the environment. Johnson favored using task forces to hammer out major issues. When a new issue came up, though, it was often difficult for either task forces or White House staff to sort out which agencies handled what parts of it from that melange of organizations which Califano decried as "this bureaucratic Tower of Babel." A particularly revealing example was the snafu surrounding the signing of the Wilderness Act in 1964. The Act set aside 9.1 million acres of federal land for preservation

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[20] USDA, Press Release #1635-62, May 3, 1962, #3186-62, September 10, 1962, #1786-63, May 31, 1963; John C. Obert, Address to the Associated Collegiate Press, New York, November 1, 1968; U.S. Congress, Congressional Record, November 18, 1963, A7109-A7110, May 7, 1964, 9980-9982, June 16, 1964, A3239-A3240.

[21] In Johnson's autobiography Secretary Freeman appears mainly in conjunction with foreign aid; Lyndon B. Johnson, The Vantage Point: Perspectives of the Presidency (New York: Holt, Rinehart, and Winston, 1971), 226, 228-229; Stephen J. Wayne, The Legislative Presidency (New York: Harper & Row, Publishers, 1978), 41-45.

as wilderness. Johnson, wishing to introduce it with fanfare, called Interior Secretary Stewart Udall over on short notice to speak at the signing ceremony. Only belatedly did the White House (and Udall himself) discover that the new legislation fell within the domain, not of Interior, but of Agriculture. One way around this problem was to set up interagency committees to coordinate work in specific areas. The difficulty of this approach, however, can be gathered by the fact that in 1966 Secretary Freeman alone was a member of 306 such committees.[22]

President Johnson, therefore, came to the same conclusion that many other Presidents have--that to concentrate the maximum effort on those programs he felt were most important would require a substantial reorganization of government. A proposal to create a separate Department of Natural Resources, for example, came up several times in the White House. This would have taken the Forest Service and some functions of the Soil Conservation Service and Farmers Home Administration out of USDA. The idea received the backing of many natural resources professionals, one of whom in 1961 condemned the "welter of confusion of cross-purposes" stemming from the division of natural resource concerns among four Departments and one independent agency. Strong opposition by the departments losing agencies and a cool congressional response killed the project. A similar fate awaited the proposed Department of Consumers in 1966, an organization that might have drawn people from several USDA agencies.[23] Secretary Freeman had a different vision of the Department's future that would not divide it up but would change its name to reflect the fact that USDA had come to represent more than farm programs. In 1961 he discussed adding "Food" to the Department's name to indicate the growing importance of food programs to USDA and the new interest that consumers were beginning to take in issues related to food. That was not done, but in 1962 the administration's farm bill was significantly entitled "The Food and Agriculture Act of 1962." Subsequent major farm bills have nearly all had "food" or "consumer" in the title in acknowledgment of agriculture's widening constituency. In 1964 Freeman wrote Vice President Hubert Humphrey to propose that the Department's new name be the "Department of Food, Agriculture, and

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[22] Joseph A. Califano, Jr., A Presidential Nation (New York: W. W. Norton & Company, Inc., 1975), 19-25. A related coordination effort involved State and Federal governments. In 1964 Freeman assigned a staff member to be USDA's liaison with the Council of State Governments (which recommended uniform state laws) and the Advisory Commission on Intergovernmental Relations which advised on federal-state-local relations; USDA, Secretary's Memorandum No. 1551, January 28, 1964.

[23] Economic Research Service, "The Department During the Administration of President Johnson," 369-372; 'Mister Z,' "The Case for a Department of Natural Resources," Natural Resources Journal, 1 (November 1961), 199; Memorandum from Orville L. Freeman to John Baker, October 9, 1967; ibid. to Tom Hughes, March 7, 1968, Orville L. Freeman Chronological File, Lyndon Baines Johnson Library; U.S. Congress, House of Representatives, Committee on Government Operations, Hearings...Creating a Department of Consumers, 1966, 255-274.

Rural Affairs," which also took into account the administration's rural development effort. This coincided with President Johnson's own belief that the time had come for USDA to expand its vision beyond agriculture to "assume a full leadership role within the federal Government to help rural America, as a whole, attain its rightful place within the Great Society." Nevertheless, although the name change was discussed internally several times over the next few years, Johnson never approved it.[24]

War on Poverty

Although its name remained the same, the Department of Agriculture picked up some of the major non-agricultural themes of the Johnson administration and carried out its role in implementing them. One of those themes was the War on Poverty, launched in Johnson's State of the Union message, January 8, 1964. Originating in plans begun by the Kennedy Administration, the War on Poverty was, in the words of one historian, "the climax of more than a half century of liberal reform."[25] Its goal was to finally accomplish what previous reforms had been unable to do--break the cycle of poverty so that poor people could enter the mainstream of American life. The War on Poverty was to be a focal point of President Johnson's Great Society, a vision of America's future that looked forward to significant strides in education, civil rights, the environment, rural development, urban rehabilitation, and numerous other areas. The Economic Opportunity Act of 1964 laid the basis for the War on Poverty by initiating programs in a number of areas. Put together in a few weeks by a task force headed by Sargent Shriver, the 1964 Act had titles covering job training through a Job Corps, community action programs, rural family loans, small business loans, a domestic Peace Corps (VISTA), and special training for heads of families receiving assistance.[26]

Great though the promise was, the administration's anti-poverty proposal was a modest one considering the magnitude of the task. Budget cutting was a high priority in 1964, especially in light of a pending tax cut. A newly created Office of Economic Opportunity (OEO) in the Executive Office of the President was to administer the Act. To ease the program's passage in Congress, Johnson submitted an OEO budget of just $970 million (about 1 percent of the federal budget) for the first year, half of which came from cuts in other programs. Aided by Johnson's considerable popularity, the proposed bill

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[24] Johnson quote in Orville Freeman, "The Job Ahead for Rural Areas Development," address before the National Advisory Committee on Rural Areas Development, Washington, DC, November 24, 1964, 1; Economic Research Service, "The Department During the Administration of President Johnson," 842-846; Orville L. Freeman to Harry McPherson, January 21, 1966, Orville L. Freeman Chronological File, Lyndon Baines Johnson Library.

[25] Mark I. Gelfand, "The War on Poverty," in Robert A. Divine, Exploring the Johnson Years (Austin: University of Texas Press, 1981), 126.

[26] P. L. 88-452, August 20, 1964, 78 Stat. 508.

made it through Congress with few changes and an appropriation of $947 million. It was also assisted by a tactic that was becoming important for farm legislation--an alliance between rural and urban Congressmen agreeing to support each other's interests in agricultural and urban/poverty bills. A separate bill targeting $1 billion to Appalachia cleared Congress in 1965.[27]

To direct OEO, President Johnson appointed Sargent Shriver, who had successfully inaugurated the Peace Corps in the Kennedy Administration. Shriver administered most of the program from his own office, especially the controversial Job Corps and community action areas. There was no serious attempt to transfer programs from older agencies to OEO; instead, Shriver tried to manage his new programs while coordinating those of other agencies. The trend in Congress, however, was to spin off OEO programs to the older agencies with their well-developed constituencies. The rural portions of Title III were delegated to USDA from the outset. These included a variety of loans to rural families, cooperatives, and local groups. This arrangement was not only preferred by USDA, it worked to the advantage of OEO in its early years. USDA's network of local offices could be tapped to deliver poverty programs to rural areas while OEO was building its own local Community Action Agencies through which it hoped to funnel OEO money. As it turned out, OEO never did extend its local agencies very far beyond the cities. USDA's Farmers Home Administration became the primary means by which Title III programs reached the rural poor. For other OEO programs that had rural components, however, cooperation between the two agencies was harder to achieve. A memorandum of understanding attempted to set up regular coordination between OEO and such USDA agencies as Extension, REA, Farmers Home, and the rural development office. Another memorandum sought to clarify the Forest Service role in Job Corps programs. But the urban-oriented leadership in OEO was reluctant to grant money for rural areas, despite the prodding of Secretary Freeman and the fact that about half the poor lived in rural areas. In contrast to USDA's smoothly functioning system of local offices, OEO's own local efforts often drew the fire of governors and mayors. OEO's attempts to get other agencies to give the suggestions of its Community Action Agencies preference over their own programs had little success. Nor did USDA succeed in getting OEO to grant it administrative money to set up local rural development agencies.[28]

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[27] Gelfand, "War on Poverty," 127, 144-145; Congressional Quarterly, Congress and the Nation, 1945-1964 (Washington: Congressional Quarterly Service, 1965), 1326-1329; Economic Research Service, "The Department During the Administration of President Johnson," 636-652.

[28] Federal Register, Vol. 29, No. 212, October 29, 1964, 14764; Memorandum Of Understanding Between Office of Economic Opportunity and Department of Agriculture, February 24, 1966; Economic Research Service, "The Department During the Administration of President Johnson," 662-665, 681-682; Jonathan Spivak, "Anti-Poverty Flaw," Wall Street Journal, March 1, 1966; Spivak, "Poverty Agency Periled by Bureaucratic Rivals, Budget, Political Woes," Wall Street Journal, April 3, 1968.

While of War on Poverty was getting underway, USDA continued to operate its own programs aimed at both the rural and urban poor. In 1965 the Secretary chaired a presidential task force on rural America which recommended much higher levels of spending for rural development. Also that year he set up a Rural Community Development Service to coordinate rural programs inside and outside USDA. But the Department's rural development efforts were never well integrated into the overall poverty effort. USDA's other important contribution to the alleviation of poverty was its food programs, which continued to be administered within USDA. Already augmented under Kennedy, they received additional funding under Johnson, especially with the Food Stamp Act of 1964 and the Child Nutrition Act of 1966. Congressional Appropriations Committees, however, kept the money for food programs below the levels asked for by the Department. Overall, USDA made important contributions to the anti-poverty battle, but mostly by enlarging existing programs. In 1965 USDA spent $953 million (more than the OEO budget) on its food programs and Farmers Home Administration loans, which were targeted at low-income rural residents. OEO that year sent USDA just $21.2 million for its rural loan fund. OEO's budget reached nearly $1.8 billion in 1968 but USDA's share for loans by then was down to $17 million. In 1967 the President's National Advisory Commission on Rural Poverty, on which Secretary Freeman served, made its report in a publication entitled The People Left Behind. Again and again the report recommended greater Government involvement in and expenditures for poverty programs and stronger coordination between Government agencies--between USDA and OEO, between Federal agencies at the local level, and through the Executive Office of the President. But the Nation's increasing preoccupation with the war in Vietnam and the controversial nature of many poverty programs prevented the War on Poverty from receiving as much money as it architects had hoped.[29]

Environmental Issues

Another broad Great Society theme that embraced USDA programs was improvement of the environment. During the 1950's and 1960's interest in the environment shifted from a primary concern for the conservation and wise use of natural resources to a desire to protect the environment from pollution and preserve natural areas. This new interest drew inspiration from a number of different sources, including wilderness groups, proponents of outdoor recreation, opponents of pollution, scientists in the emerging

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[29] U.S. Congress, House Committee on Appropriations, Hearings...Department of Agriculture Appropriations for 1966, Pt. 1, 47; Congressional Quarterly, Congress and the Nation, Volume II, 1965-1968 (Washington: Congressional Quarterly Service, 1969), 746; Economic Research Service, "The Department During the Administration of President Johnson," 669-679; Nick Kotz, "Jamie Whitten: The Permanent Secretary of Agriculture," Washington Monthly, Vol. 1 (October 1969), 9-19; Washington Post, November 23, 1966; Orville L. Freeman, "Address to the National Conference on the Poverty Program in Rural America," Washington, DC, April 6, 1965; President's National Advisory Commission on Rural Poverty, The People Left Behind (Washington: Government Printing Office, 1967).

discipline of ecology, and the anti-pesticide drive spurred by Rachel Carson's 1962 book, Silent Spring. On the whole, environmental issues were less well coordinated by the Johnson Administration than the War on Poverty. Many environmental activities, however, fell clearly within the jurisdiction of one department or another, usually Interior or Agriculture. Interior Secretary Udall became the focal point for environmental programs, especially those setting aside land for recreational and scenic purposes. The President's wife, Lady Bird Johnson, took an active role in movement to beautify highways. Nine task forces addressed various environmental questions during the Johnson years. The President himself made major statements on the environment in 1964 and 1965. In 1964, for example, he urged a "new conservation" that would "not only develop old resources but create new ones" to provide a growing and increasingly urbanized population sufficient space for recreation, ready access to natural beauty, and clean water.[30]

Secretaries Udall and Freeman worked together in a number of areas where their responsibilities overlapped. Freeman chaired the Cabinet level President's Advisory Council on Outdoor Recreation between 1964 and 1966 and set up guidelines for establishing and managing federal recreation areas. Freeman believed the Council helped bring closer than usual cooperation between
the Forest Service and Interior's Bureau of Land Management and National Park Service. The Council also helped iron out differences between USDA and the Army Corps of Engineers. Johnson's Message on Natural Beauty in 1965 spurred efforts by Agriculture and other departments to consider beautification in their programs. A joint Interior/Agriculture report, "Trails for America" was released in 1967 and recommended laying out scenic trails and urban parks and forests. The resulting National Trails Systems Act of 1968 was joined by the 1964 Wilderness Act and the Wild and Scenic Rivers Act of 1968 as landmarks in the preservation of natural beauty.[31]

Within USDA Freeman preferred to coordinate environmental issues involving different agencies rather than reorganize around those issues. For recreation issues, for example, the Secretary made it clear that the subject was to be considered one of USDA's primary missions. In 1967 he directed USDA agencies to do the research and educational work necessary to encourage rural landowners to build recreational facilities. The Farmers Home Administration offered loans for that purpose to farmers and nonprofit corporations. A 1965 policy directive by Freeman put beautification on the agenda of USDA agencies. The Department had been long involved in conservation on farmland, of course, and these

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[30] Lyndon Johnson, "Conservation of Natural Resources," policy paper, November 1, 1964; Martin V. Melosi, "Lyndon Johnson and Environmental Policy," in Robert A. Devine, ed., The Johnson Years, Volume Two: Vietnam, the Environmental, and Science (.....; Samuel P. Hayes, Beauty, Health, and Permanence: Environmental Politics in the United States, 1955-1985 (Cambridge: Cambridge University Press, 1987), 53-57.

[31] Economic Research Service, "The Department During the Administration of President Johnson," 373-380, 389-391.

efforts continued during the 1960's. By one estimate, 81 percent of all land in the U.S. came under the jurisdiction of USDA conservation programs. New Acts, such as the Land and Water Conservation Fund Act (1964), Water Resources Research Act (1964) and the Cropland Conservation Program of the Food and Agriculture Act of 1965 expanded the conservation options for soil and water resources. Pesticide work in USDA received an impetus from the growing concern that pesticide residues harmed wildlife and remained on food after harvest. USDA handled registration of pesticides and monitoring residues. Incidents such as a large fish kill on the Mississippi River in 1964, pesticide-contaminated cranberries in 1959, and the appearance of Carson's Silent Spring in 1962 began to turn public opinion away from unrestricted use of pesticides. Use of DDT became a particular target as did USDA's heavy application of pesticides in its campaign to eradicate the fire ant. In 1963 the President's Science Advisory Committee urged that pesticide monitoring work be better coordinated between agencies, an idea carried out the following year. From the point of view of environmentalists, though, USDA remained an agency committed to promoting the use of agricultural chemicals.[32]

Civil Rights

A third broad administration theme which affected the Department of Agriculture was civil rights. The movement to end racial discrimination, which had intensified during the Kennedy administration, got a strong push forward with the passage of the Civil Rights Act of 1964. President Truman had set forth an anti-discrimination policy for federal employment in 1948, a stand reiterated by President Eisenhower. President Kennedy gave strong backing to this policy and in 1961 ordered the formation of a President's Committee on Equal Employment Opportunity. Secretary Freeman ordered in 1961 that no standard but merit be used in hiring and promoting USDA employees. In the Department's 1962 agreement with the National Joint Council of Meat Inspection Lodges giving it the exclusive right to organize USDA's meat inspectors--the first Federal agreement of its kind--discrimination was prohibited. Progress in employing minorities, however, came slowly. In USDA only about 2.9 percent of the workforce was black in 1961. In 1963 Secretary Freeman appointed the first black Deputy Assistant Secretary, Alfred L. Edwards, who served in the Rural Development and Conservation area.[33]

While the Civil Rights Act was being debated, Freeman had Department agencies study the likely impact of the Act and prepare plans to implement it. Department

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[32] Ibid., 361-372, 391; Hays, Beauty, Health, and Permanence, 174-177, 189-190; Pete Daniel, "A Rogue Bureaucracy: The USDA Fire Ant Campaign of the Late 1950's," Agricultural History 64 (Spring 1990), 99-114.

[33] U.S. Commission on Civil Rights, Federal Civil Rights Enforcement Effort: A Report of the United States Commission on Civil Rights (Washington, DC: Government Printing Office), 1970, 63-64; Wallace's Farmer, October 3, 1964; U. S. Department of Agriculture, Press Release, February 26, 1965; Economic Research Service, "The Department During the Administration of President Johnson," 852; Baker et. al., Century of Service, 413.

employees who had speaking and conference commitments were asked not to accept any such engagements before segregated groups. After passage of the Act on July 10, Freeman ordered an inventory of loans, grants, and contracts to insure they complied with Title VI forbidding discrimination by race, color, or national origin. The Administrative Assistant Secretary was appointed to coordinate the Department's civil rights efforts. The Office of the General Counsel and the Office of the Inspector General would provide legal advice and oversight. At a series of Departmental seminars on civil rights in the month after the Act, Freeman made a forceful declaration that "there will be no delays in eliminating discrimination where it exists within the agencies of the Department [or] in the operation of any program carried out by the Department." On January 22, 1965 Freeman created the position of Assistant to the Secretary for Civil Rights. The Department's actions mirrored the government's overall anti-discrimination program which gelled in President Johnson's 1965 executive order giving the Civil Service Commission leadership of the equal employment opportunity drive.[34]

But promoting racial equality within USDA was no easy matter. Not only did civil rights proponents encounter resistance from USDA supervisors and employees in Washington, DC, they found that, in the field, USDA employment, as well as service to clients, was strongly influenced by local racial customs. This problem was made dramatically evident by the investigation of the U.S. Civil Rights Commission, which issued its report, Equal Opportunity in Farm Programs in February 1965. Looking especially at the Southern work of the major field agencies, Cooperative Extension Service, Farmers Home Administration, Soil Conservation Service, and Agricultural Stabilization and Conservation Service, the commission found almost no minority employment except in Extension, where employees were segregated into separate offices with inferior facilities. In ASCS, for example, the only blacks employed in Southern offices in 1964 were in custodial positions until a clerk and 7 temporary compliance reporters were hired later in the year. In Farmers Home, none of the approximately 3,600 state and county committeemen in the South were black in 1961. Committeemen had an important voice in deciding who would receive loans. By 1964 there were still only 125 black committeemen, 100 of whom served as alternates. That year the agency had about 40 blacks employed as professionals at all levels. "One of the most serious obstacles barring Negro farmers from the benefits of the Department's programs," the Commission concluded, "has been the consistent exclusion of Negroes from the local decision-making process which controls the dispensing of these benefits." The result was that, not only did blacks find little employment opportunity in USDA, black clients of the Department "have been consistently denied access to many services, provided with inferior services when served, and segregated in federally financed

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[34] Economic Research Service, "The Department During the Administration of President Johnson," 803-809; Secretary's Memorandum No. 1560, July 10, 1964; Memorandum from Orville L. Freeman to Assistant Secretaries and Agency Head, July 7, 1964; U.S. Commission on Civil Rights, Federal Civil Rights Enforcement Effort, 64-65; Federal Register, December 4, 1964, 16274-16280.

agricultural programs...."[35]

In response to the Civil Rights Commission report, Freeman conceded that discrimination had been widespread in the Department. He pledged "to use all the powers vested in the office of Secretary of Agriculture to insure that all vestige of discrimination and inequality will be removed from the USDA."[36] Enforcement at the State and local level was given to the State Administrative Committee, composed of representatives of USDA agencies in each State. A USDA task force headed by Trienah Meyers reviewed the commission's recommendations and in March reported the progress being made to carry them out. Local offices had been desegregated except for Extension, which had a December 31, 1965 deadline to comply. FmHA, SCS, and ASCS, it related, were all trying to bring blacks into local decision-making and hire more black employees. At the recommendation of the task force, Freeman established a Citizens Advisory Committee on Civil Rights in April to review the progress of civil rights enforcement within the Department. In June he sent the President a detailed list of steps being taken to comply with the Civil Rights Commission report and reported that the Office of the Inspector General was conducting a special civil rights audit. In September the Department's Employment Policy Officer reminded employees that under a 1961 executive order the Department would follow the idea of affirmative action in eliminating discrimination in hiring rather than simply go through the motions of compliance.[37] In addition, USDA made an effort to insure that its programs were reaching black farmers and rural residents as well as white. Brochures such as "You Too Can Get Help" were aimed at informing black people about available USDA programs.[38]

Enforcement of civil rights in USDA and its programs proceeded more slowly than hoped for by the national administration, especially at the local level. Follow-up reports by state advisory groups to the U.S. Civil Rights Commission noted the persistence of old

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[35] United States Commission on Civil Rights, Equal Opportunity in Farm Programs: An Appraisal of Services Rendered by Agencies of the United States Department of Agriculture (Washington: Government Printing Office, 1965), 100-101 (quotations), 20-38, 62-66, 84-86, 93; Calvin L. Beale, "The Negro in American Agriculture," in John P. Davis, ed., The American Negro Reference Book (Englewood Cliffs, NJ: Prentice-Hall, Inc., 1966), 161-204.

[36] U. S. Department of Agriculture, Press Release, February 26, 1965.

[37] Report of Task Force Established to Review the Recommendations of the Civil Rights Commission, March 26, 1965; U.S. Department of Agriculture, Press Release, 1519-65, May 13, 1965; U.S. Department of Agriculture, Secretary's Memorandum No. 1572, April 22, 1965; ibid., No. 1575, April 29, 1965; "United States Department of Agriculture Progress Report on Elimination of Discrimination," June 17, 1965; Joseph M. Robertson, Memorandum to Heads of Agencies and All Employees, "United States Department of Agriculture Affirmative Action for Equal Employment Opportunity," September 24, 1965.

[38] U.S. Department of Agriculture, "You Too Can Get Help," PA-683, November 1965.

patterns of discrimination. This was amplified by the Commission's 1968 report on USDA which cited the Department for inadequate civil rights enforcement, training, and data collection. Findings by the Office of Inspector General, said the Commission, were not being sufficiently carried out within the Department. The Assistant to the Secretary for Civil Rights was understaffed and his efforts to increase funding for civil rights enforcement were vetoed, apparently to avoid offending key members of Congress. The Commission recommended that USDA set up an internal Office of Equal Opportunity, something that did not occur until 1971. The Department's Citizens Advisory Committee on Civil Rights reiterated the Commission's findings. While believing that Freeman had personally done a great deal for civil rights, the Committee urged USDA to reshape its priorities and increase support for civil rights enforcement. The most striking confrontation between the Department and civil rights advocates occurred in April 1968 when the Poor People's March came to USDA to demand more food aid and better progress on the U.S. Civil Rights Commission's recommendations. Freeman replied to march leader Ralph Abernathy that much was being done to improve food programs despite budget limits and that black employment in USDA had risen during a period of declining overall USDA employment. The Department still lagged behind other government agencies in hiring blacks, however. As of 1967 black employment had risen to 5.8 percent of USDA's total, but this compared with 14.9 percent for the U.S. government as a whole.[39]

The question of employing more Spanish-Americans had also come up at the conference between Freeman and march leaders. On June 30, 1967 Freeman appointed a USDA Departmental Committee on Mexican American Affairs to see that USDA programs reached Mexican Americans and recommend new programs. This complemented an inter-agency committee appointed by President Johnson on which Freeman sat. Freeman told Abernathy that since the Departmental committee had been appointed, Spanish-American employment had risen from 1.2 percent to 1.6 percent in USDA and that USDA was targeting 5 Southwestern states in an effort to further increase employment.[40]

The Civil Rights Act of 1964 also provided equal employment protection for women, although this provision received little attention at the time. President Kennedy had created

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[39] Georgia State Advisory Committee, Equal Opportunity in Federally Assisted Agricultural Programs in Georgia (Washington: Government Printing Office, 1967); [U.S. Civil Rights Commission], "Alabama Agriculture: Staff Report," processed, [May 1968]; U.S. Commission on Civil Rights, "The Mechanism for Implementing and Enforcing Title VI of the Civil Rights Act of 1964: U.S. Department of Agriculture," processed, July 1968, 1-8; "Report of the Citizens Advisory Committee on Civil Rights," [1968]; Roger Beardwood, "The Southern Roots of Urban Crisis," Fortune (August 1968), 84, 87, 151; Orville L. Freeman to [Ralph] Abernathy, May 23, 1968 with accompanying "Response to Poor Peoples Demands," 1-14, 38.

[40] Freeman, "Response to Poor People's Demands," 14-15; U.S. Department of Agriculture, Secretary's Memorandum No. 1616, June 30, 1967; USDA Press Release 1984-67, June 26, 1967.

the President's Commission on the Status of Women in 1961. Its 1963 report resulted in an interdepartmental committee and a citizens task force on the question. Women made up about a quarter of USDA's workforce but they had found it difficult to obtain jobs higher than the support staff level. In 1966, for example, the average grade for women was 5.04 compared with 8.57 for men. Progress in opening professional opportunities for women was slow. Some women, however, did receive important positions, notably Dorothy Jacobsen who became the first women assistant secretary in 1964. Freeman asked all agency heads to submit quarterly reports on the employment of women. In 1965 he reminded agency heads to participate "in an active program providing for full recognition of the merit selection of women for appointment and promotion." President Johnson's executive order of October 13, 1967 added "sex" to the list of factors where discrimination was prohibited in federal employment. By 1968, though, the average grade for women in USDA had slipped to 4.9, lower than that for any minority group.[41]

A final discrimination issue was the employment of handicapped people. President Kennedy had initiated a program to hire mentally retarded and physically handicapped people. President Johnson reiterated this policy in 1964. Freeman backed Johnson's effort and USDA employment of handicapped personnel rose from 190 in 1964 to 536 in 1967.[42]

Farm Programs

Although Johnson did not pay a great deal of attention to farm policy matters, his several agricultural messages to Congress served as a platform to announce important changes in policy. His messages in 1964 and 1965 showed the administration's shift from its mandatory program proposals of the early 1960's to the voluntary approach that was enacted in the Food and Agriculture Act of 1965. In 1965 he appointed a National Advisory Commission on Food and Fiber whose 1967 report endorsed the basic ideas of price support loans near world levels coupled with income supports found in the 1965 Act. The President showed a special interest in foreign trade policy. He strongly endorsed an expanded Food for Peace program and took action to provide American grain to relieve the famine in India in 1966. In his 1968 message on consumer issues he urged better inspection of poultry to complement the recently passed Wholesome Meat Act. A 1968 message, "Prosperity and Progress for the Farmer and Rural America," summed up the

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[41] U.S. Department of Agriculture, "No. of Full-Time Employees," processed, n.d.; U.S Department of Agriculture, Secretary's Memorandum No. 1552, February 26, 1964; Ibid., No. 1583, September 8, 1965; Economic Research Service, "The Department During the Administration of President Johnson," 871-874.

[42] Orville L. Freeman, Memorandum to Heads of Department Agencies, Policy for Federal Employment of the Handicapped, July 2, 1964; Economic Research Service, "The Department During the Administration of President Johnson," 874-875.

administration's agricultural and rural policies.[43]

The Budget

One of President Johnson's main interests in coming to office was in keeping government expenditures down. Federal expenditures had risen 28 percent between 1960 and 1964. While the deficit was a modest $5.9 billion in the latter year, the prospect of lower revenues from the 1964 tax cut caused Johnson to put strong pressure on the Departments to restrain or cut their spending. Johnson's campaign to control the budget began almost as soon as he took office, with a November 30, 1963 pledge "that the Executive Branch will be administered with the utmost thrift and frugality." Shortly thereafter, Johnson issued a memo to Department heads announcing his determination to "halt the growth in Federal employment." He also asked for a review of government publications and set up an awards program for cost-saving measures.[44]

USDA's budget had increased from $4 billion in 1961 to $6.2 billion in 1964, though most of that came from the inclusion of P.L. 480 funds starting in 1962. The Appropriations committees looked warily upon any increase in USDA's budget. The House agricultural subcommittee, led by Jamie Whitten, cut the administration's budget request every year in the 1960's. The Senate committee usually restored part of the House cuts but remained below USDA's requests until the late 1960's, when it frequently proposed additional spending for P.L. 480. The final budget often ended near or above the administration figure due to supplemental appropriations to cover, for example, additional CCC price support costs.[45] Freeman had been concerned with making budget procedures more efficient since his 1961 order creating a Budget Committee composed of the Under Secretary, Budget Officer, and the Assistant Secretaries and Directors. Budget changes

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[43] Lyndon B. Johnson, "Message on Agriculture to the Congress of the United States," processed, January 31, 1964; Johnson, Public Papers of the Presidents, 1963-64 (Washington: Government Printing Office), II, 1249-1251; 1965, I, 139-148, II, 1095-1097; 1966, I, 143-144; 1968, I, 271-282; Economic Research Service, "The Department During the Administration of President Johnson," 6-26.

[44] Economic Report of the President, 1992 (Washington: Government Printing Office, 1992), 385; Lyndon B. Johnson, Memorandum on the Management of the Executive Branch, November 30, 1963; Memorandum on Control of Federal Employment, December 25, 1963, Public Papers of the Presidents of the United States: Lyndon B. Johnson, 1963-64, 1 (Washington: Government Printing Office, 1965), 15, 83-84.

[45] U.S. Congress, Senate and House Committees on Appropriations, Reports, 1960-1970. USDA and Appropriations Committee budget figures often disagree because USDA traditionally counted all new obligations in its budget proposals (including, for example, REA loans that would later be repaid) whereas the committees looked only at direct appropriations and usually quoted lower figures; Orville L. Freeman to Lyndon B. Johnson, October 30, 1967, Orville L. Freeman Chronological File in Lyndon Baines Johnson Library.

then went through the Office of Budget and Finance (under the Administrative Assistant Secretary), which dealt with the Bureau of the Budget.[46]

Early in his administration, Freeman had begun a cost reduction program to improve management, substitute computers for more labor-intensive work methods, centralize the payroll, and make other reforms. Administrative support costs had nearly doubled between 1953 and 1961 to $20 million a year. Under the direction of the Office of Personnel, a September 1961 conference on personnel issues dealt with the possibilities of using computers in personnel management, an area where USDA had the reputation of being one of the leading Federal agencies. The Office of Administrative Management, established by Secretary Benson in 1957 to "provide general direction...in the fields of organization, work methods, and management," had been given the leading role in coordinating computerization. It was replaced December 8, 1961 by the Office of Management Appraisal and Systems Development (OMASD) which also had automatic data processing as one of its main priorities. Under Director John C. Cooper, Jr., a veteran of the Office of Finance and Budget, this small group initiated a computerization drive called MODE which by 1965 had automated payroll and personnel record-keeping and had several projects underway to assist management analysis. Cooper found that putting the Department's payroll on computer was an "extremely complicated" process. Savings from automation were less than projected in 1961 but he believed the effort worthwhile because of the management information it provided. The OMASD gave way on July 28, 1966 to the Office of Management Improvement in order concentrate even more on the adoption of computers the Department.[47]

When the Washington Data Processing Center, managed by the Statistical Reporting Service, opened in 1966 in USDA's South Building it permitted the Department to do much of its own computing without renting time on other computers. New Orleans was another early center for USDA computer operations. In 1967 the Secretary created the New Orleans Data Processing Center, reporting to ASCS, to permit better use of computers for management and commodity data. A third computer center was Kansas City, where data processing was used to assist CCC operations. A similar move toward modernization came when the Office of Management Services was set up January 29, 1963 to centralize budget, information, personnel, and procurement services for a number of

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[46] Joseph M. Robertson to Orville L. Freeman, February 12, 1968, Orville L. Freeman Chronological File, Lyndon Baines Johnson Library.

[47] USDA, Secretary's Memorandum No. 1409, January 7, 1957; ibid. No. 1422, February 11, 1958; ibid. No. 1477, December 8, 1961; ibid. No. 1529, January 29, 1963; ibid. No. 1599, July 28, 1966; USDA Press Release #4081-61, December 11, 1961; John C. Cooper, Jr., "MODE--Agriculture's Centralized Common Service System," in Joint Financial Management Improvement Program, Highlights of Progress, Fiscal Year 1964 (Washington: Government Printing Office, 1965), 30-46, quotation on 42. Other functions of the Office of Administrative Management were assigned to the Office of Personnel, the Office of Plant and Operations, and the Office of Budget and Finance.

smaller USDA offices. The spread of photocopying machines in this period changed a number of working procedures. The Office of Plant and Operations discontinued mimeograph services in 1968. To encourage greater achievement by USDA employees, the Annual Honor Awards Ceremony was continued. The USDA Graduate School likewise remained as an independent, self-supporting, continuing education center for USDA employees. Offering courses since 1921, the Graduate School had long since expanded to train employees from all Government agencies, including a number of foreign residents sponsored by the State Department. Course offerings had broadened to serve the needs nonprofessional as well as professional employees. In 1961 10,660 students were in enrolled in evening, day, and independent study programs. By 1967 the school registered over 22,000 students in a varied curriculum that counted 54 courses in data processing alone.[48]

In 1962 Joseph Robertson revived an effort dating back to 1951 to consolidate field offices, bringing local offices under a common roof and providing them with common services. State administrative committees were to assist this activity in cooperation with General Services Administration regional offices. Coordination and technical assistance within USDA were to come from the Office of Plant and Operations, USDA's main office for contracting, real property, mail handling, communications, and other services. A 1964 executive order reinforced the consolidation policy. In December 1963 a work measurement task force was appointed to assess productivity of different jobs. Reorganization of the Agricultural Marketing Service as the Consumer and Marketing Service in 1964 was done in part for budgetary reasons. In 1965 USDA's mail system, handling nearly 250,000 items a day, was centralized. Freeman reported many benefits from his cost savings programs. But he resisted budget cutting when he thought it threatened the viability of programs, such as rural development.[49]

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[48] USDA, Secretary's Memorandum No. 1620, July 31, 1967; Orville L. Freeman, Address before the Kansas City Chamber of Commerce, Kansas City, Mo., August 30, 1962; Memorandum from Administrative Office, ESA on Mimeograph Duplicating Services, April 15, 1968; Baker, et. al., Century of Service, 411-413; David E. Brewster, USDA's Graduate School: The Growth of an Educational Institution (USDA Graduate School, [1973]), 11-13; USDA Graduate School, Newsletter, September 8, 1967.

[49] Orville L. Freeman, "Improved Administration and Economies Effected: U.S. Department of Agriculture," processed, [1963-1964]; USDA, Secretary's Memorandum No. 1479, December 15, 1961; ibid. No. 1492, February 2, 1962, Supplement 1, March 22, 1962, Supplement 2, March 22, 1962, Supplement 3, May 20, 1963; ibid. No. 1514, October 19, 1962; ibid. No. 1567, January 4, 1965; Bureau of the Budget, Circular No. A-68, August 28, 1964; USDA, Press Release #3936-65, December 10, 1965; USDA, Organization & Staff, Office of Plant & Operations (Washington: U.S. Department of Agriculture, November 1961). In 1967 field office policy was changed to give preference to locations in lower density areas with labor surpluses; USDA, Secretary's Memorandum No. 1625, November 7, 1967.

Johnson's economy drive bore fruit in 1965, the only year since 1955 when federal outlays declined from the previous year. According to the House Appropriations Committee, the administration budget cut USDA more than all other agencies combined. Moreover, the Secretary complained that when the Department saved money, the Bureau of the Budget simply cut the amount saved from next year's appropriations rather than let the Department redirect it to other areas. The Bureau of the Budget under Kermit Gordon tried to take a strong role in shaping USDA programs. Gordon wrote an article in 1965 suggesting that farm programs needed overhauling, since most benefits went to a relatively small number of commercial farmers. The Bureau's sharp cuts in for fiscal 1966 in the soil conservation program and the proposed closure of certain research laboratories provoked an outcry from Congress. As finally passed, the appropriations act allotted $6.4 billion to the Department in 1966, down slightly from 1965. Thereafter the upward trend resumed; in 1968 USDA received slightly over $7 billion. In his first four years Freeman believed that $1 billion in savings had been realized from management improvements. In subsequent years he reported ever increasing gains from the Department's "War on Waste," $1.3 billion for the years 1965-1967. Whether from economizing or budget cuts, USDA's share of total Federal outlays was on the decline after 1965 even though dollar outlays were rising.[50]

During the mid-1960's the White House moved toward cost benefit analysis for government agencies along the lines that the Defense Department had been successfully using for several years. Within USDA, as in other agencies, administrators explored the possibility of combining program analysis with budget-making in order to make the budget more responsive to policy priorities. Traditional budget-making was oriented more toward accounting procedures than planning. Budget-makers did not concentrate on priorities nor did policy-makers have a clear picture of budget realities. USDA was in a better position than many civilian agencies to try the new approach. In the early 1930's the Department developed a Uniform Project System that listed spending by functions and permitted some cross agency calculations to, for example, find the amount spent by USDA on research. Some USDA agencies had recent experience with long-range planning, such as the Forest Service, which had formulated a 12-year planning budget in 1959. Moreover, the Department had a large group of economists to draw upon for the economic analysis that

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[50] USDA, Secretarys Memorandum No. 1456, June 2, 1961; Economic Research Service, "The Department During the Administration of President Johnson," 768-777; U.S. Congress, House Committee on Appropriations, Department of Agriculture and Related Agencies Appropriation Bill, 1968, Report, No. 330 (Washington: Government Printing Office, 1967), 4; New York Times, January 14, 1965; Washington Post, February 21, 1965; U.S. Congress, Congressional Record, January 7, 1965, 304-306; Orville L. Freeman, Memorandum to All Employees: Cost Reduction Report to the President, May 26, 1965; Freeman, "Cost Reduction in the U.S. Department of Agriculture," Defense Management Journal 4 (Winter 1967-68), 3-6; Letter from Orville L. Freeman to Lyndon B. Johnson, January 31, 1968.

would be necessary if budgets were to be used for planning.[51] With the encouragement of Administrative Assistant Secretary Joseph Robertson, Freeman met with the Department's top policy officials in 1964 to urge assistant secretaries and agency heads to view their specialties in light of Department-wide objectives and put more focus on priorities in budget-making. Under Secretary John Schnittker (the former Director of Agricultural Economics who had replaced Charles Murphy as Under Secretary in 1965) proposed combining the Budget Committee with the Program Review Committee, also created in 1961 to assist program coordination. The new Program and Budget Review Committee, created July 2, 1965 with a membership similar to the old Budget Committee, was charged with providing "systematic and coordinated policy review of budget issues."[52] The Staff Economists Group under the Director of Agricultural Economics was also brought in to bring economic tools to the review policy process.

On August 25, 1965 President Johnson introduced the "planning-programming-budgeting system" (PPB), an arrangement similar to the Defense Department's approach, to his Department and agency heads. The new system, he said, would help to identify national priorities, measure program performance, and plan for several years at a time.. Budgeting was to begin with objectives set by top management rather than waiting for agencies to put together their collective wish lists. Secretary Freeman responded to PPB with an October 27 1965 memorandum setting up a Planning, Evaluation, and Programming Staff headed by Howard Hjort in the Under Secretary's office. The new office, which coexisted with the Program and Budget Review Committee, was to study the effectiveness of major programs and help prepare the annual program and financial plan. Additional PPB staffs were to be formed in at least eight major agencies to analyze programs of those agencies. In 1967 a Program Attainment Reporting System began in an effort to provide ongoing quantitative results of agency programs. That same year the Bureau of the Budget was reorganized to extend the PPB concept across departmental lines. To orient the Department's programs around major goals, Freeman in 1967 announced four Department missions whose objectives would be used to judge the effectiveness of USDA programs. Many of these missions cut across agency lines. The missions were, in practice, a means of pulling agencies together to work on larger issues without a major reorganization. By 1968 there were six objectives: Income and Abundance, Resources in Action, Communities of Tomorrow, Science in Service of Man, Growing Nations--New Markets, and Dimensions for

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[51] Joon Chien Doh, The Planning-Programming-Budgeting System in Three Federal Agencies (New York: Praeger Publishers, 1971), 13, 48-49; Ralph S. Roberts, "USDA's Pioneering Performance Budget," Public Administration Review 20 (Spring 1960), 74-78.

[52] USDA, Secretary's memorandum No. 1578, July 2, 1965; Economic Research Service, "The Department During the Administration of President Johnson," 784-789; Scot MacDonald, "There Were Two Approaches to Enforce Planning-Programming-Budgeting System--Is the Right One Being Used?" Government Executive (August 1969), 60-62; Economic Research Service, "The Department During the Administration of President Johnson," 786-802.

Living. PPB and the changes related to it made better progress in USDA than some other Federal agencies, a student of the budget process concluded in 1971. Budgets, however, still had to be made in the old form, as well, because of the Congressional review process.[53]

Running parallel to PPB were a series of Program Policy and Information Task Forces formed by the Secretary in 1967 under the theme AG/2000 to coordinate program planning with the Department's information effort. Under Secretary Schnittker found the task forces in conflict with the PPB effort. Freeman, though, saw them as useful in policy-making. Freeman also began holding daily, pre-work meetings with agency heads and his staff to work out common problems. When he entered in USDA in 1961, he observed, the Department had "resembled a kind of ducal fiefdom in which the various agencies, operating with a great deal of independence, all competed with one another." By the end of his administration, Freeman believed that "a new sense of purpose, direction and pride has spread throughout the entire Department, replacing the historic separatism that prevailed eight years ago."[54]

4. Food and Nutrition Programs

Secretary Freeman came to his post convinced of the need to reorient USDA programs so that they better addressed the problems of a wider spectrum of Americans than farmers. The centerpiece of this effort, which also included new initiatives in rural development and consumer protection, was the expansion and redirection of food assistance programs to benefit the millions of Americans who could not afford adequate diets. His success, although striking in comparison to what came before, ultimately was limited considering the magnitude of the problem. While Presidents Kennedy and Johnson shared his philosophy of making better use of America's food abundance to alleviate hunger, both were so preoccupied with the escalating conflict in Vietnam and its attendant domestic economic effects that they left the battle to secure the necessary authority and

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[53] USDA, Secretary's Memorandum No. 1589, October 27, 1965; Memorandum from Howard W. Hjort to Orville L. Freeman, February 1, 1967; Memorandum from Freeman to Joseph A. Califano, April 25, 1967, Orville L. Freeman Chronological File, Lyndon Baines Johnson Library; Congressional Record, October 12, 1967, S14728-S14729; Allen Schick, "The Road to PPB: The Stages of Budget Reform," Public Administration Review 26 (December 1966), 258; Doh, Planning-Programming_Budgeting System, 65-69, 96, 100.

[54] U.S. Department of Agriculture, Report of the Secretary of Agriculture, 1968 (Washington: Government Printing Office, 1969), 4 (first quote); Orville L. Freeman, "The Department of Agriculture: Struggles, Achievements, Issues Ahead Under the Administration of Orville L. Freeman," processed, October 1968, 1-3 (second quote); Memorandum from Freeman to Lyndon B. Johnson, July 27, 1967; Memorandum from John A. Schnittker to Freeman, January 9, 1968, Orville L. Freeman Chronological File, Lyndon Baines Johnson Library.

funds up to their Agriculture Secretary. Constrained by tight budgets and the need to satisfy fiscal conservatives on the congressional committees which controlled programs and money for the USDA, Freeman nevertheless secured a major role for the Department in the nation's burgeoning anti-poverty effort.[55]

Within a week of assuming office in January 1961, Freeman announced that the USDA was committed to three major goals. Chief among them was the better utilization of the productive capacity of United States agriculture to raise the nutritional standards and improve the dietary habits of all Americans.[56] The Department had long operated feeding programs on a relatively minor scale as a by-product of its commodity surplus disposal activities, providing selected farm products to school-age children and the economically distressed. The 1960s ushered in an era of tremendous expansion in existing food donation efforts as well as a revival of a long-abandoned program designed to integrate the major public assistance activities into the market economy. In the process the essential character of the effort changed from one aimed at disposing price-depressing farm surpluses to one which complemented the growing array of public welfare programs.

Both Presidents Kennedy and Johnson placed food assistance programs high on their agricultural and social welfare agendas. Kennedy's March 1961 message on agriculture called for a greater use of America's food abundance to alleviate surpluses and to help feed those least able to afford adequate diets. Johnson echoed the challenge, declaring a "war on poverty" in his first State of the Union address in January 1964 and denoting food assistance programs as a cornerstone of his vision of the "Great Society" in a May 1964 speech.[57] Both were responding to a growing public awareness of the plight of the urban and rural poor and of extensive nutritional deficiencies among the nation's children. The presence of want in the midst of plenty was a disturbing discovery for Americans of the 1960s. A task force studying one aspect of the problem in mid-decade estimated that as many as 95 million Americans lacked adequate diets and about 26 million of these got less than two-thirds of recommended allowances of nutrients in their meals. Children in their formative years were a particular concern: 5.2 million youngsters under the age of six and another 2.4 million between the ages of six and twelve received nutritionally deficient diets

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[55] Nick Kotz, Let Them Eat Promises: The Politics of Hunger in America (Englewood Cliffs, New Jersey: Prentice-Hall, 1969), pp. 46-47, 78-79; Don Hadwiger, "The Freeman Administration and the Poor," Agricultural History 45 (January 1971): 21-23, 27-29.

[56] USDA,Press Release 226-61, January 20, 1961.

[57] "American Agriculture, Message From the President," Congressional Record-Senate, March 16, 1961, pp. 3875-77; "LBJ History," pp. 6-7, 658.

according to the same report.[58]

School Lunch Program

Ensuring adequate diets for Americans during their school-age years, when proper nutrition was so vitally important to physical and mental development, had long been a concern of public policy. Federal aid to school lunch programs was initiated as early as 1935 when a portion of Section 32 funds, acquired by setting aside 30 percent of the United States customs receipts to enhance consumption of surplus commodities, was given to the Secretary of Agriculture to purchase surplus food which was then donated to schools. In 1943, when stockpiles of excess farm products disappeared due to the demands of World War II, the Department began advancing cash grants directly to schools for the purchase of food supplies in the local market. With the war over, Congress passed a National School Lunch Act in 1946 to appropriate Federal funds on a matching basis to non-profit school lunch programs. The matching feature of the law encouraged the States to assume the major task of running the program since they had to provide at least three dollars from local sources (including pupil payments) for every one dollar from the Federal treasury.[59]

By the 1961-62 school year, nearly 15 million children were involved in the program. Federal cash assistance and food donations contributed about 20 percent of the school lunches' cost, with State and local money making an equal percentage. Thus, students paid an average of 60 percent of the real cost of a meal. In return for the Federal largess, every recipient institution agreed to operate its food services on a non-profit basis and to provide lunches which supplied at least one-third of a child's daily nutritional needs. Free lunches had to be made available to children of low-income families. Nearly 36 percent of the nation's public schools, however, did not participate in the program either because they lacked sufficient funds or adequate lunch service facilities.[60]

President Kennedy in the spring of 1961 called on Congress to adjust the program to involve more participants. Urged forward by spokesmen for school administrators, educators, lunchroom food service workers, and the National Farmers Union, the lawmakers readily complied in the next year although a few congressmen expressed misgivings over the further extension of Federal power into local education affairs. The Amended National School Lunch Act of 1962 made two important changes in the existing program, both of which resulted in expanding services and costs. The formula previously used to apportion Federal support to each State was based on the size of its school-age

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[58] "Statement, Task Force on Nutrition and Adequate Diet," undated, in Agriculture and Rural History Section Files.

[59] Congressional Quarterly Service, Congress and the Nation, 1945-1964, pp. 737-39.

[60] USDA, Press Release 3623-62, October 16, 1962; Martin Kriesberg, Market for Foods in the Nation's Schools (Washington: USDA, Economic Research Service Marketing Research Report No. 702, April 1965), pp. 1-4.

population and its need for assistance as determined by relative per capita income. To keep their overall costs low and their individual allotments high, some States restricted the number of participating institutions. To overcome this tendency, the 1962 amendments changed the Federal allocation formula to factor in a State's prior level of participation. The change provided an incentive for States to broaden their programs to make them eligible for more Federal funds. The other major new addition to the National School Lunch Act, embodied in Section 11, authorized special funds to help schools defray expenses in providing free or reduced-price meals to students from especially poor locales. Despite the 1962 authorization, no Section 11 special funds were made available to the neediest schools until Congress voted $2 million extra for the 1966 fiscal year.[61]

Between 1961 and 1966, appropriations for the school lunch program increased from $110 million to $157 million, with an additional $45 million in each of those years transferred from Section 32 customs receipts.[62] The program reached an ever wider group of school children, allowing them to purchase lunches with an average value of 50 cents for about half that amount.[63] With defense expenditures spiralling upward as the war in Vietnam escalated, the Johnson Administration took a harder look at social programs in an effort to reduce treasury outlays. Recognizing that the school lunch program operated primarily as a meal subsidy for children of middle-class families, the Administration in 1966 proposed amending the child feeding programs to target them more specifically to the truly needy rather than to the general school population. The executive branch's budget for fiscal year 1967 proposed to reduce Federal school lunch funds by $19 million as a first step toward forcing States to assume a greater financial role. Shying away from the specter of requiring children to swear that their families were too poor to purchase full-priced lunches and reluctant to cut appropriations to such a popular program, Congress demurred. It passed its own substitute bill to expand child feeding activities and raised the 1967 funding level above those of 1966.[64]

Child Nutrition Act of 1966

Signed into law in October, the Child Nutrition Act of 1966 kept the National School Lunch Act as previously amended intact, complementing its provisions with new funds targeted to especially needy school children. Congress authorized new grants for schools in economically depressed neighborhoods which needed help to purchase food storage,

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[62] Public Law 86-532, June 29, 1960; Public Law 89-316, November 2, 1965.

[63] USDA, Press Release 3483-64, October 13, 1964.

[64] U.S. Congress, Senate Committee on Agriculture and Forestry, Child Nutrition: Report (89th Cong., 2d sess., Report No. 1360, July 1966), pp. 2-3; Congressional Record, February 10, 1966, p. 2716; Public Law 89-556, September 7, 1966.

preparation, and service equipment. One-quarter of the costs of any food service equipment purchased with the aid of Federal funds had to be borne by local sources. Another new feature inaugurated on a two-year trial basis a school breakfast program directed at those students who either could not afford breakfast or travelled long distances to attend school. To encourage States to take advantage of the still voluntary Federal offerings, the Child Nutrition Act also authorized additional funds to help local officials cope with the increased costs of administering the increasingly complex programs. This last section, however, was not funded until 1969. Finally, the 1966 law extended all the child feeding activities to preschool programs operated by local school systems.[65]

Food assistance was extended to day-care centers, settlement houses, and recreation centers operated on a non-profit basis by public or private agencies by the terms of an additional section appended to the National School Lunch Act in 1968. Special summer programs providing food service to their participants also were made eligible under the new amendment, thereby ensuring more nearly adequate diets to at least some school-age children throughout the year.[66]

All of these programs required nearly $230 million in Federal outlays in 1969, not including an additional $224 million worth of food stocks donated by the USDA to institutional food service programs in that year. Regular cash assistance to the school lunch program accounted for over $162 million of the total. Another $43 million, available for the first time, went to the States to expand either their lunch or breakfast service to new recipients. An additional $1.5 million was voted to help defray administrative costs associated with the extra subsidization of school lunches to the most needy ($10 million in 1969), the school breakfast program ($3.5 million), and the day-care and summer recreation programs ($8.75 million).[67]

Increased expenditures for the child nutrition efforts of the USDA greatly extended the reach of the programs. An average of over 19 million elementary and secondary students attending more than 74,000 schools received Federally subsidized lunches in each month of 1969. Subsidized breakfasts went to 205,000 children in nearly 3,000 schools while the nonschool feeding program involved 312,570 children at 2,260 outlets. Still, not even the school lunch program was available to all the school-age population since an estimated 30,000 schools did not participate. Lack of funds to meet food service facility standards required by the USDA excluded many poorer schools from the program despite the availability of some Federal funds after 1966 to help offset the costs of furnishing

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[65] Child Nutrition Act, 80 Stat. 885 (1966); U.S. Congress, House Committee on Agriculture, Child Nutrition Act of 1966: Report (89th Cong., 2d sess., Report No. 1787, July 1966), pp. 5-8; USDA, Press Release 4028-68, December 30, 1968.

[66] National School Lunch Act Amendment, 82 Stat. 117 (1968).

[67] USDA, Press Release 4027-68, December 30, 1968.

preparation and serving equipment.[68]

Special Milk Program

Like the school lunch activities, a long-running special school milk program was transformed in the 1960s from one primarily aimed at surplus disposal into one to improve nutrition standards among the nation's young. Begun on a small scale in the 1930s and expanded in 1954 as a method of distributing excess fluid milk without depressing market prices, the program gave Federal funds to local school districts to allow them to offer low-cost milk to their students. During the early 1960s, the special milk program was reauthorized annually and appropriations climbed from $87 million in 1961 to $100 million in 1966.

When the Johnson Administration attempted to cut the program's budget by nearly 80 percent for 1967 as part of its plan to economize on and redirect assistance to schools serving the most needy, Congress restored the proposed reductions and ensured the continuation of the special milk program by including it as part of the Child Nutrition Act of 1966. In 1969, $104 million of Federal money subsidized milk purchases in more than 94,000 schools and day-care institutions.[69]

Direct Distribution Program

In addition to commodities donated to school feeding programs, the USDA, beginning in the 1930s, offered certain staple and perishable foods acquired as a result of its price support activities to charitable institutions and other locally operated welfare programs. Legislation in 1949 placed the direct distribution efforts on a permanent footing and amendments in 1954, 1956, and 1958 added to the categories of eligible recipients, allowed the Commodity Credit Corporation (which held the nation's excess food stocks) to have grains processed into flour and meal prior to donation, and authorized the purchase of processed grains, fats, and oils for subsequent donation, respectively. Each change expanded the use of the direct distribution program as a means of disposing surpluses and of helping the economically disadvantaged. By the end of 1960, the USDA was offering five foods in quantities worth a total of $75 million to States which made them available to charitable institutions and needy families in 1,200 counties.[70]

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[68] House Committee on Appropriations, USDA Budget Hearings: 1971, pt. 2, pp. 580-81, 609.

[69] Baker, et al., Century of Service, pp. 187-88, 390; "LBJ History," pp. 682-85; USDA, Press Release 4028-68, December 30, 1968.

[70] Congressional Quarterly Service, Congress and the Nation, 1945-1964, p. 740; USDA, Press Release 461-61, February 20, 1961; USDA, Press Release 4038-63, November 27, 1963.

Beginning with President Kennedy's first executive order to expand the list of USDA-proffered commodities to eleven, thus increasing the variety of free foods, the direct commodity distribution program during the 1960s became more oriented toward helping the poverty stricken than toward disposing of surpluses. By January of 1962, seven million Americans participated in the program, as compared to just over four million in the same month a year earlier. While the variety of foods eligible for donation continued to grow thereafter (sixteen commodities were available by 1968), the number of participating poor people declined over the decade (to about 3.5 million in 1969) as the direct distribution program became a relatively minor sidelight to a major new effort to help feed the needy.[71]

Despite its reorientation toward serving those who needed assistance to secure more nearly adequate diets, direct distribution activities had a number of inherent drawbacks as a means of attacking the problem of hunger in the United States. Even with the increased variety of proffered commodities, the program still was limited to donating those foods in surplus without regard to nutritional value. Furthermore, the States themselves were responsible for paying the costs and determining the method of distribution. This usually meant that foods were offered once a month at a few central distribution points where eligible low-income families had to pick up their allotments in bulk, transport them home, and store them until consumed. At its best, the distribution arrangement was inefficient and, at its worst, was degrading to the participants forced to line up for handouts.

Nor was direct distribution appealing to business interests involved in the marketing of food. While some food processors received Federal money for readying commodities for donation, the direct distribution effort took place outside of regular commercial market channels. Thus, the entire food processing, wholesale, and retail industry favored an alternative system which would involve them more directly.

Food Stamp Program

As a means of encouraging greater domestic consumption of foods in surplus, direct distribution was no more successful since participants often substituted the donated foods for those they might have purchased in the regular marketplace, spending the money saved on non-food items. This defect soon was recognized and, in 1939, Congress initiated a short-lived food coupon program which sought to direct Federal subsidies to actually increase food consumption, utilize the existing commercial marketing system, and match the kinds and quantities of food to the real needs of low-income families.

This new food assistance program of the late 1930s and early 1940s offered two types of coupons redeemable for food at participating grocery markets. Eligible recipients purchased postage-stamp size, orange-colored coupons with a total value about equal to

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[71] USDA, Press Release 1167-62, March 30, 1962; USDA, Press Release 1674-68, May 21, 1968; U.S. Congress, Senate Committee on Agriculture, Nutrition, and Forestry, Food Stamp Program: History, Description, Issues, and Options (99th Cong., 1st sess., Senate Print 99-32, April 1985), pp. 162-72.

their normal food budget and were given blue coupons worth half that amount. Orange stamps could be used to buy any grocery item but the blue stamps could only be exchanged for commodities designated by the USDA to be in surplus. Items on the blue-coupon list changed monthly, causing confusion among both participants and retailers. As a consequence, merchants often sold ineligible items, thus negating the intention of the program to increase consumption of excess products. Also, many retailers and coupon-holders found it simpler just to exchange cash for the stamps at a discounted rate, further subverting the program's aim. Still, the program proved popular, expanding from six areas in 1939 to a peak of 1,741 counties and 88 cities in the summer of 1942. In early 1943, the coupon program was discontinued owing to war-induced falls in the welfare rolls and the virtual disappearance of agricultural surpluses.

At the close of the Second World War, the direct distribution program became the favored way of dealing with farm surpluses and the needy but its drawbacks kept alive sentiment for another try at food stamps. Every legislative session, beginning in 1954, considered various bills to revive the program in some form. The Democratic party platform of 1956 included a plank urging a new food stamp program and the Farm Bill passed in that same year directed the USDA to study the projected costs of such a program. Despite the daunting estimates delivered by the compilers of the report (between $600 million and $2.5 billion depending on eligibility criteria), efforts to legislate a new food stamp system continued. In 1959, proponents of the plan succeeded, at least in part. Included as a section of a law extending the Agricultural Trade Development and Assistance Act (PL 480), the amendment gave the Secretary of Agriculture authority to implement a two-year pilot program at a maximum cost of $250 million annually to distribute surplus food commodities through a food stamp system. President Eisenhower, true to a promise made while the measure was still in Congress, refused to exercise the discretionary authority provided.[1872]

Pilot Food Stamp Program Begun 1961

Fulfilling his party's 1960 campaign pledge, John F. Kennedy initiated a food stamp program by executive order within a month of his assuming the office of President in 1961. Since the 1959 law allowing such a program was due to expire at the end of December 1961, Kennedy invoked Section 32 authority embodied in the 1935 legislation that permitted the chief executive to use a portion of the nation's customs receipts to encourage the domestic consumption of farm commodities. Legally, then, the new pilot food stamp program was a revival of the pre-World War II food coupon system but, in practice, it was operated in a significantly different manner.

Whereas the old program had issued two types of postage-size coupons, one of which could be exchanged only for designated foods, the new plan featured a single type of currency-size stamp in a range of denominations used like money to purchase any foods (excepting alcoholic beverages and a few imported items) carried by grocers. Needy families, whose eligibility for stamps was determined by State and local administrators

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[72] U.S. Congress, Senate Committee on Agriculture, Food Stamp Program, pp. 4-15.

according to current welfare program guidelines, exchanged the amount of money they would normally be expected to spend on food for food stamps of a higher value. Allotments were based on a family's household size and its ability to pay for nutritionally adequate meals, but even the poorest families were required to exchange some money in return for stamps. This "purchase requirement" averaged between $6 and $7 for every $10 worth of food stamps. The remaining "bonus value" represented the Federal contribution to the food stamp program.[73]

In his announcement inaugurating the new program in February 1961, President Kennedy targeted areas of high unemployment in West Virginia, Pennsylvania, eastern Kentucky, northern Minnesota, southern Illinois, and Detroit as locations for pilot projects. Rapid expansion followed so that by the beginning of 1964, 40 counties and 3 large cities in 22 States involved 380,000 participants each month in the program. Section 32 transfers funded the pilot projects every year, beginning with $3.7 million in fiscal year 1961 and rising to $45 million in fiscal year 1964.[74]

Food Stamp Act of 1964

As a means of attacking poverty while utilizing the existing marketplace by supplementing the food budgets of needy Americans, the pilot food stamp program proved popular enough after a three-year trial period to be placed on a more permanent footing. USDA studies judged the pilot program successful in both its aims of increasing retail grocery sales and in improving both the quantity and quality of diets of participants. President Kennedy asked for legislation in 1963 to expand and make permanent the program and President Johnson succeeded the next year in forcing the measure through Congress. Many urban and liberal congressmen rallied to this alternative to direct distribution of surplus commodities and, in a tactic that often afterwards would be used to continue the program's expansion, backed higher commodity support prices in return for rural and conservative legislators' support for food stamps. Defeating amendments that would require States to match Federal contributions and limit the kinds of items food stamps could purchase, proponents of the pilot plan pushed through the Food Stamp Act in August of 1964.[75]

The Food Stamp Act of 1964 set funding levels for the program for the next three

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[73] Ibid., pp. 15-16.

[74] Ibid., p. 16; U.S. Congress, House Committee on Agriculture, Food Stamp Act of 1964: Report (88th Cong., 2d sess., Report No. 1228, March 1964), p. 7.

[75] Agricultural Marketing Service, Food Stamp Program: An Initial Evaluation of the Pilot Projects (Washington: USDA, AMS-472, April 1962), pp. 5-7; "LBJ History," p. 635; U.S. Congress, Senate Committee on Agriculture, Food Stamp Program, pp. 17-21; Food Stamp Act, 78 Stat. 703 (1964).

years and offered it to every State (or portion of a State) as an alternative to the Federal direct distribution program. Local governments had only to assume the costs associated with determining the eligibility of recipients and distributing the coupons and even in this, Federal funds contributed about 30 percent of the local administrative expense. By January of 1967, 589 localities in 41 States and the District of Columbia were dispensing food coupons to nearly 1.4 million participants monthly at a cost to the United States treasury of $140 million annually. In 1967, Congress voted to extend budget authority for food stamps through 1970, at the same time defeating an effort to make the States pay 20 percent of the program's escalating costs.[76]

The suggestion that the States be made to shoulder a greater share of the financial burden arose not so much because of the program's expense but because a growing number of congressmen were concerned that the States were ignoring their responsibility for policing the program. With the Federal government footing the bill, they argued that State and local officials had little incentive to prevent fraud among participants in the program. While everyone wanted the program to run more efficiently, publicizing sensational instances of "welfare chiseling" became a favorite tactic of opponents seeking to discredit the food stamp activities.

While conservatives scored the food stamp system for its opportunities for abuse, liberals were increasingly concerned that it was failing to meet the needs of the nation's hungry. A Senate subcommittee studying the effectiveness of the Johnson Administration's anti-poverty efforts in 1967 discovered disturbing conditions in the rural South where feeding programs often by-passed the truly needy. In many of the poorest areas the substitution of food stamps for the older direct distribution system meant a sharp drop in participation among those who could not afford the minimum purchase requirement of $2 for each individual per month. The subcommittee proposed that the purchase requirement be waived for those with no income and reduced for those with very low incomes. Furthermore, it urged that the Secretary of Agriculture invoke the clause in the Food Stamp Act which allowed direct distribution of commodities in areas with operating food stamp plans on an emergency basis.[77]

Congress was hardly alone in its discovery that government welfare programs, including food assistance efforts, were failing to meet the needs of many Americans. A September 1967 report entitled The People Left Behind, released by the President's National Advisory Commission on Rural Poverty, echoed the Senate subcommittee's call for the free distribution of stamps to the poorest. An April 1968 report by a Citizens Board of Inquiry into Hunger and Malnutrition in the United States did the same, adding its opinion that the entire program might find a more sympathetic home in another agency outside the

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[76] U.S. Congress, Senate Committee on Agriculture, Food Stamp Program, pp. 21-24, 175.

[77] "LBJ History," pp. 714-18.

traditionally conservative USDA. A CBS television documentary broadcast in May 1968 brought pictures of malnourished families into the living rooms of America, contrasting expenditures for food assistance with those for farm subsidies in a sensational juxtaposition. The Poor People's Campaign in Washington in the early summer of 1968 injected further emotion into the debate over welfare and food-stamp reform, presenting the moving spectacle of thousands of the nation's disadvantaged demanding a greater share of America's abundance.[78]

As the agency responsible for administering Federal food aid programs, the USDA bore the brunt of much of the criticism from those who found gross inadequacies in the Administration's anti-poverty activities. Despite the controversy engendered by the programs, Freeman fought the sporadic proposals to shift the Federal food assistance activities to other executive agencies. The Secretary was convinced that the child nutrition, direct distribution, and food stamp programs were essential to the goal of transforming the Department from a farmers' agency to a consumers' one. As the USDA's activities expanded in these areas, bureaus responsible for their administration were given a higher profile.

In the early 1960s, the Agricultural Marketing Service conducted the food assistance programs just as it had since its 1953 creation. A Food Distribution Division within AMS oversaw the activities of four branches: Direct Distribution, Food Trades, School Lunch, and Program Analysis and Development. When President Kennedy announced the pilot food stamp program in February 1961, a Food Stamp Plan Development Group was added under the divisional Director' office. In recognition of its expanded role in administering food distribution programs, the Agricultural Marketing Service was re-named the Consumer and Marketing Service in February 1965. A month earlier, a Deputy Administrator for Consumer Food Programs had been put in charge of the food assistance activities, including the now-permanent food stamp program. As a part of the reorganization, a new Food Stamp Division was created and the existing branches were elevated to divisional status. For the remainder of Secretary Freeman's tenure, then, a Deputy Administrator for Consumer Food Programs directed the ever expanding activities of a Food Stamp Division, Commodity Distribution Division, School Lunch Division, and Food Trades Staff with a Consumer Food Programs Services Staff providing statistical information and management support for all the programs.[79]

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[78] Ibid., pp. 736, 741-42; President's National Advisory Commission on Rural Poverty, The People Left Behind (Washington: Government Printing Office, 1967), pp. ix-xi; Citizens Board of Inquiry into Hunger and Malnutrition in the United States, Hunger U.S.A. (Washington: New Community Press, 1968); U.S. Congress, Senate Committee on Agriculture, Food Stamp Program, pp. 31-32.

[79] Agricultural Marketing Service, Notice 1021, February 16, 1961; Consumer And Marketing Service, Notice 1, February 8, 1965; USDA, Press Release 75-65, January 8, 1965; USDA, Press Release 494-65, February 16, 1965.

Vilified by conservatives for doing too much and by liberals for doing too little in the social welfare field, the office of Secretary of Agriculture became one of the most controversial in government. Freeman was especially stung by the criticisms of liberals whose philosophy of increasing government aid to the impoverished he essentially shared. He argued vociferously within the councils of the Johnson Administration to expand the feeding programs but was blocked by the President who was pressured by conservative congressmen to keep overall expenditures in check and specific welfare programs within narrow bounds. Loyal to the President and protective of the Department's myriad other activities, Freeman took the blame for inaction rather than break with Johnson or the USDA's traditional congressional supporters.[80]

From this position, Secretary Freeman defended the Department's role by reminding critics just how far the programs had come in such a short span of time. He pointed out that family food assistance had shifted over the course of the 1960s from the passive offering of a handful of surplus food items to supplement a family's food supply to the active encouragement of a food stamp program to increase purchasing power to ensure more adequate diets. In 1960, the five low-value foods distributed directly by the USDA reached about 3.5 million needy people in 1,200 counties. By 1969, the commodity distribution program offered a wider variety of foods to about the same number of persons in the same number of counties while the food stamp system served another 3.2 million in nearly 1,500 additional areas. Such rapid expansion in a program where success depended on close Federal-State cooperation, Freeman maintained, inevitably resulted in an uneven distribution of benefits. One problem was the simple fact that Congress, in the Administration's opinion, had not appropriated enough money to meet the demands of all the areas which wanted to participate. Another was the hesitancy on the part of some local officials to commit the political capital and administrative funds necessary to put programs in place. Local sensitivity to Federal direction and the Department's own commitment to encouraging the States to assume greater program responsibilities precluded the USDA from undertaking unilateral relief efforts.

Freeman did admit that both the direct distribution and food stamp programs could be more flexibly administered and adjustments were made to serve the poor more effectively. In July of 1967, the USDA began offering to pay the full cost of administering the direct distribution program in 331 of the nation's poorest counties which had no Federal assistance programs. Within a year, 291 of those areas had accepted the proposal. In the remaining targeted counties, the USDA reluctantly was making plans to run the programs directly. Also in the summer of 1967, the monthly minimum purchase requirement of $2 per person was reduced to $.50 per individual and to $3 for families with more than six household members. In answer to calls for emergency food distribution efforts in counties that already had a food stamp system in place and for a waiver of all

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26 Kotz, Let Them Eat Promises, pp. 188-92.
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purchase requirements for the poorest of the poor, the Secretary steadfastly maintained that he had no legal authority to act. By the end of Freeman's term, Congress was considering a number of legislative proposals to give the Department more flexibility in directing Federal food assistance.[81]

Just how far the Department entered into the field of social welfare spending during the 1960s is revealed in a comparison of expenditures on the food assistance programs as a proportion of the total USDA budgets. In 1961, only 8 percent of USDA's direct appropriations supported these activities; in 1969, 20 percent did so. When transfers from Section 32 funds are factored in, the figures are even more striking: 25 percent in 1969 as compared to only 9 percent in 1961.[82] Given the magnitude of its effort in food assistance, the USDA could no longer be considered as only the "farmers' department" by the end of the decade.

5. Agricultural Stabilization and Conservation Service

A second critical issue facing the Kennedy administration was how to stem the tide of surplus farm production which had filled warehouses to overflowing in the late 1950's. The genesis of many of the price support and adjustment programs of the Agricultural Stabilization and Conservation Service (ASCS) was in the Agricultural Adjustment Act of 1933. That legislation encouraged farmers voluntarily to limit acreage in several crops at a time of overproduction and economic distress. The hope was that federal assistance would help farmers tailor their output to the needs of the market.

The Soil Conservation and Domestic Allotment Act of 1936 tied the aims of the earlier law to conservation practices. Acting on the practical experience gained from these previous measures, Congress passed the Agricultural Adjustment Act of 1938, on which succeeding programs have been based. It aimed at maintaining adequate reserves (the "Ever Normal Granary") and restoring farm income by combining acreage allotments and marketing quotas with land conservation programs.

The principles of the 1930's measures remained intact during World War II and the immediate postwar era, although increased demand made allotments unnecessary. By the early 1950's, accelerated production -- both foreign and domestic -- brought back the probability of surplus commodities and lower farm income. The Administration of President Dwight D. Eisenhower, which began January 20, 1953, placed the USDA under

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[81] USDA, "Food-Hunger: 1968," Press Release 1674-68, May 21, 1968; Orville L. Freeman, "Statement Before the House Committee on Agriculture, June 12, 1968" in Agriculture and Rural History Section Files; U.S. Congress, Senate Committee on Agriculture, Food Stamp Program, pp. 32-34, 162.

[82] House Committee on Appropriations, USDA Budget Hearings: 1962, pt. 1, p. 102 and 1970, pt. 1, pp. 71-72.

Secretary Ezra Taft Benson, a vigorous proponent of free-market economy. On November 2, Benson created the Commodity Stabilization Service (CSS) out of components of the former Production and Marketing Administration, "with responsibility for adjustment activities, stabilization of sugar production, price support, foreign supply programs, commodity disposal, and administration of the International Wheat Agreement."[83]

Secretary Benson favored flexible price supports for basic commodities with the aim of giving farmers the freest choice while still maintaining basic protection. Under this program, support loan levels would drop as supplies rose, in the hope of discouraging excess production. Congress enacted legislation in 1954 in basic accord with these ideas. The result was not encouraging. Productivity rose so rapidly -- as a result of lavish use of new developments in chemical fertilizers, pesticides and herbicides, seed stock, and machinery -- that Commodity Credit Corporation inventories had risen to bin-bursting levels by decade's end.[84]

Price Support Programs

The Commodity Credit Corporation put a floor under commodity prices in four basic ways: support loans, purchase agreements, purchases, and payments. Loans accounted for about 76 percent of expenditures for the 1961 crop and purchases for another 16. Support loans allowed farmers to store certain commodities under federal supervision at a price calculated at a certain percentage of parity. When market prices declined farmers generally stored larger quantities. CCC supplied the funds, and CSS handled administration.

Congress had made some supports mandatory, especially for wheat, rice, cotton, most tobacco, and peanuts -- the so-called quota commodities -- as well as for corn. Supports were also mandatory for oats, rye, barley, grain sorghums, tung nuts, honey, milk, and butterfat. The National Wool Act of 1954 made similar provisions for wool and Mohair. Cottonseed, flaxseed, soybeans, dry edible beans, and gun naval stores received permissive supports.[85]

The Secretary annually announced a national acreage allotment for wheat, cotton, rice, and peanuts, aimed at producing a crop adequate for domestic and export needs as well as for maintaining an adequate reserve. In years with a heavy inventory, the Secretary applied marketing quotas with penalties on wheat and rice growers. The allotments were

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[83] Gladys L. Baker et al, Century of Service: The First Hundred Years of the United States Department of Agriculture (Washington, D.C., 1962), 483. See also, ASCS Background Information, No. 5 (March 1962). The preceding analysis is based on Century of Service.

[84] Douglas E. Bowers, "USDA Acreage Reduction Programs, 1933-1987," Policy Research Notes, Issue 23 (May 1987).

[85] ASCS Background Information, No. 4 (October 1961).

divided among the states according to production history. The system for cotton and wheat was somewhat different. USDA decided on the marketing quota first, then converted into a national acreage allotment and divided it among the states. For tobacco, the Secretary set a marketing quota and apportioned it to the states which then set individual allotments. All marketing quotas had to be approved by a two-thirds majority in referenda administered by ASC committees.[86]

Corn had never had a marketing quota, and its brief experience with acreage allotments ended with an adverse vote by producers in 1958. Support loans for corn and other non-allotment crops were generally at a lower percentage of the parity price. The aim of the loans was to maintain price levels and stabilize production. They were non-recourse -- that is, after a year if the producer did not repay the loan, the commodities became government property.

Purchase agreements were available for many of the same crops as support loans. They were a sort of hedging device under which CCC agreed to buy up to a given amount of the commodity at the support price within a specified thirty-day period. In effect, loans and purchase agreements served the same purpose.[87]

Only wool and mohair qualified for direct payments under the Wool Act of 1954. Wool growers received the difference between an established target price and the average price received during the marketing year. The payments acted as an incentive not only for increased production but also for quality since the grower got higher payments in proportion to the price per pound that he sold for on the open market.

CCC supported the prices of butterfat and manufacturing milk by purchases of butter, cheddar cheese, and nonfat dry milk from manufacturers and not from farmers directly. ASC county offices purchased cottonseed and flaxseed from producers as a method of support.[88]

Farm Programs under Freeman

The election of John F. Kennedy as president in 1960 brought a change both in style and philosophy. The new Secretary of Agriculture, Orville L. Freeman had little experience with farming, but he strongly believed that federal programs should be used to raise farmers' incomes and cope with swollen inventories, surplus production, and technological changes. He was, moreover, surrounded by fellow activists from his state's Democratic Farmer-Labor party. Secretary Freeman believed that new programs had to be adopted in order to achieve his aims.[89]

ASCS: Organization

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[86] ASCS Background Information, No. 5 (March 1962).

[87] ASCS Background Information, No. 4 (November 1962).

[88] Ibid.

[89] Don F. Hadwiger, Federal Wheat Commodity Programs (Ames, 1970), 235-238.

As part of Secretary Freeman's early reorganization of USDA, on April 19, 1961 he moved the Agricultural Conservation Program (ACP) back into CSS from which Secretary Benson had removed it. ACP stemmed from the Soil Conservation and Domestic Allotment Act of 1936 and had become a branch in 1947. It shared with farmers the cost of conservation practices which would maintain fertility and restore depleted land. As an independent service during the 1950's, ACP had maintained a small staff in Washington while depending on the ASC state and county committees of CSS to carry out its field activities.[90]

Secretary Freeman also transferred milk and tobacco marketing agreements and orders from AMS to CSS in an attempt to put most programs having to do with price stabilization under one head. In September he did the same for functions exercised under the Wool Act of 1954.[91] On June 5, Secretary Freeman announced that CSS would become the Agricultural Stabilization and Conservation Service. It was a move which conformed to the usage by ASC state, county, and local committees since 1953. ASCS continued the important symbiotic relationship with CCC which had existed since 1933. CCC provided the funds for support loans, storage facilities, commodity exports, and similar programs while ASCS supplied facilities and personnel. The Administrator of ASCS was Executive Vice President of CCC.[92]

Secretary Freeman had appointed Horace D. Godfrey as Administrator of CSS in January and he continued in that position with ASCS. Godfrey was a native North Carolinian with long government service. Born in 1915, he had graduated from Charlotte Business College and North Carolina State. Although he had continued to direct his family farm until 1954, he had begun fulltime work with the Agricultural Adjustment Administration in 1934. Godfrey had worked his way up to State Administrative Officer before coming to Washington. Like many of his generation had spent nearly three years in the armed forces.[93]

The Administrator reported to the Assistant Secretary for Marketing and Stabilization. He was assisted by an Associate Administrator, Edwin a Jaenke, and by five Deputy Administrators. They were Emery E. Jacobs for State and County Operations, Carl A. Larson for Conservation, Robert G. Lewis for Price and Production, Frank W. Hussey

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[90] Baker et al, Century of Service, 168-169, 174, 397, 483-485. Wayne D. Rasmussen and Gladys L. Baker, The Department of Agriculture (New York and London, 1972), 94-95.

[91] Secretary's Memo 1446, Supplement No. 2, April 19, 1961; Supplement No. 3, September 21, 1961.

[92] Notice General 668, June 5, 1961. Baker et al, Century of Service, 482, 496-497.

[93] Press Release, unnumbered, January 1961.

for Commodity Operations, and Robert P. Beach for Management.[94]

ASCS State and County Committees

Almost from the beginning of the Agricultural Adjustment Administration in 1933, the state, county and community committees of farmers had played a key role in monitoring programs and setting local policies. Secretary Henry A. Wallace had seen the committees as an almost mystical key to the renaissance of local democracy and the maintenance of communication between grassroots farmers and the ethereal higher levels of government. In the early days of commodity programs the committees filled this role in the Midwest but in other regions, especially the South, they were essentially creations of the Extension Service until 1938.[95]

Various organizations disliked the committees. The Grange originally feared that they could become the core of a new farmers' group as had the Extension Service for the American Farm Bureau Federation, but it had come to accept them by the 1960's. The Farm Bureau disliked them as potential rivals. Secretary Benson had placed strict limitations on the activities of the committees, but Secretary Freeman reversed those policies. He looked to them for primary assistance in promoting his program.[96]

The organizational structure of the ASCS committees was not as democratic as the mythology carried over from Secretary's Wallace's day would have had it. The Secretary appointed the state committees, from three to five in number, and they hired an executive director. He employed a staff which did the work. Since the committeemen were farmers who spent a few hours month at ASCS duties, their knowledge of activities was sometimes not overly adequate. Out in the townships, participating farmers elected community committees which in turn elected a county committee of three. The county committees employed an office manager who hired and supervised those who did the office and field work.[97]

The Emergency Feed Grain Act of 1961

Freeman had inherited soaring CCC inventories, public criticism of storage costs, a soil bank program which had undermined the rural economy in some areas, and a philosophy of price supports with which he disagreed. He had appointed the economist Willard Cochrane as Director of Agricultural Economics and was strongly influenced by his thinking on these issues. Secretary Freeman came to believe that farmers would swallow

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[94] Press Release 866-61, March 23, 1961; 1169-61, April 12, 1961. Notice General 668, June 6, 1961; 677, June 30, 1961.

[95] Bake et al, Century of Service, 152-153, 159-161. Henry A. Wallace, New Frontiers (New York, 1934), 264-267, 284-285.

[96] Don F. Hadwiger and Ross B. Talbot, Pressures and Protests: The Kennedy Farm Program and the Wheat Referendum of 1963 (San Francisco, 1965), 55-60.

[97] ASCS Background Information, No. 6 (March 1965).

mandatory production controls if they were saccharine-coated with price supports.[98] For two-and-a-half years he labored to win acceptance for this policy.

An immediate problem for the Administration was the huge inventory of grain stocks and the probability that a large harvest would add to the surplus. In July 1960, the carryover of wheat was 1,313,518 bushels, more than twice the figure for 1953. At nearly the same time the carryover of corn was 1,786,966 bushels or about two-and-a-third times that of 1953. The prices which farmers received for these leading grains was lower than for any year since World War II.[99]

The situation seemed so critical that Congress passed an Emergency Feed Grain Act on March 22, 1961 in order to help stave off an immediate problem during that year. Secretary Freeman adopted a firm line: corn and grain sorghum producers who reduced planting by 20 percent below the average of the past two years and diverted the acres to conservation purposes would receive the support price for their county on 50 percent of the crop which they would have grown. If they did the same with up to 20 percent more, they got 60 percent of the price. The act made no reference to allotments, yet it operated in a fashion which cut acreage. The Secretary could reimburse either in cash or in payment-in-kind certificates. He chose the latter. This followed the expressed preference of Jamie Whitten, the influential chairman of the Agricultural Subcommittee of the House Appropriations Committee.[100] Moreover, whereas under the Benson administration the diverted acres had often been planted in other cash crops, the new system demanded soil-enriching conservation cover-crops.[101]

President Kennedy's message to Congress, March 16, proposed longterm changes in accord with Secretary Freeman's ideas. He asked that the flexibility of marketing orders be increased to include more commodities. Perhaps most importantly he called for the use of supply quotas in terms of bushels, pounds, or bales -- or in terms of the product of allotted acreage -- in order to achieve reasonable production goals. He suggested a number of programs to maintain strong income at the same time that commodities were being limited. He wanted national committees elected by producers of the affected commodities to advise and consult with the Secretary at the same time local and county ASCS committees were strengthened. [102]

Kennedy's proposals ran into immediate difficulties. Many farmers feared that

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[98] Douglas E. Bowers et al, History of Agricultural Price-Support and Adjustment Programs, 1933-84: Background for 1985 Farm Legislation, Agriculture Information Bulletin No. 484 (December 1984). Hadwiger, Federal Wheat Commodity Programs, 238.

[99] Agricultural Statistics, 1962 (Washington, 1963), 2, 13, 35, 42.

[100] Memorandum for Secretary Freeman. WWC (Willard Cochrane), March 8, 1961.

[101] Bowers et al, History of Agricultural Price-Support, 23-24. Baker et al, Century of Service, 406-407.

[102] Public Papers of the Presidents, John F. Kennedy, 1962, 192-196.

controlled production would not guarantee higher income. Most farm organizations disliked the mandatory features. Influential legislators opposed any plan which impinged upon their shaping of policy and which would transfer that power to ASCS committees and the executive branch. As early as March 3, Jamie Whitten, the influential chairman of the Agriculture Subcommittee of the House Appropriations Committee, had told Willard Cochrane that he opposed general enabling legislation and preferred to examine new programs bit-by-bit.[103]

The Agricultural Act of 1961 which was approved in late August did little to change the work of ASCS. The provision dealing with feed grains in 1962 was a modification of that for 1961. The program now included barley along with corn and grain sorghum. Farmers could not opt to divert as much as 50 percent of their base acreage.[104]

The wheat section of the 1961 act came nowhere close to the aspirations of the new administration, but it did initiate measures aimed at reducing inventory and costs, stabilizing production, and increasing farmers' income. The legislation reduced the longstanding minimum national wheat allotment of 55,000,000 acres by 10 percent. Complying growers received diversion payments of 45 percent of the county support rate for No. 1 wheat. To encourage further reductions, the law provided 60 percent payments for including up to 30 percent more of allotted acres in conservation diversion. Price supports remained at the previous 75 percent for participants.[105]

Reorganization

Just as Secretary Freeman prepared to launch a new campaign on behalf of his proposals, a major scandal demanded his attention. A West Texan, Billy Sol Estes, one of the periodic boy wonders who afflict American finance, found his paper house of loans and mortgages collapsing around him in early 1962. Indictments for various criminal activities soon followed, and separate House and Senate committees began to investigate his activities and especially his relation to ASCS. An embarrassment to the Secretary was his recent appointment of Estes to the National Cotton Board at the suggestion of advisors. Two high officials, Emery E. Jacobs, Deputy Administrator of ASCS for State and County Operations, and James Ralph, former Assistant Secretary for Agricultural Stabilization, left federal service after suggestions of impropriety.

Secretary Freeman faced Congressional committees and the press with openness and cooperation which helped defuse charges of corruption and political influence. Investigators uncovered a few cases of minor infractions on the part of state or county ASCS employees and committeemen but no major violations of law or ethics. Estes was eventually convicted of defrauding his friends and creditors but not the government.

What had become quite apparent to Secretary Freeman, however, was that there was

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[103] Bowers et al, History of Agricultural Price Support, 24. Memorandum for Secretary Freeman, WWC [Willard W. Cochrane], March 8, 1961.

[104] ASCS Background Information, No. 5, March 1962.

[105] Ibid.

a good deal ineptness, confusion and carelessness within ASCS. A particular problem was that the heads of commodity divisions under the Deputy Administrator for Price and Production had been so involved in operations that they had failed to attend to policies. Accordingly, on November 15, 1962, the Secretary announced reorganization of ASCS.[106]

The new structure aimed at eliminating as much duplication and confusion as possible in such a major agency. The Secretary got rid of two groups under Deputy Administrators: Conservation, and Price and Production. The three which remained became purely operational. The State and County Operations group, under Deputy Administrator Raphael V. Fitzgerald, dealt directly with farmers through the ASCS offices and a few other divisions. Deputy Administrator Robert G. Lewis of Commodity Operations directed the handling of crops after they left farmers' hands. The Management group remained approximately the same under Deputy Administrator Robert P. Beach except for the removal of the Investigation and Internal Audits divisions which merged and reported directly to the Administrator.[107]

Those staff members responsible for analyzing programs and formulating policies also now reported directly to the Administrator. They included the Policy and Program Appraisal division and the policy staffs for the more important commodities. The new organizational plan split the old Conservation group between a policy staff reporting to the Administrator and an operational division within the State and County Operations group. In addition, the field commodity offices in Cincinnati, Dallas, and Portland closed, leaving open those in Minneapolis, Evanston, Kansas City, and New Orleans. Finally, the handling of marketing agreements and orders for tobacco and milk returned to the Agricultural Marketing Service.[108]

The Food and Agriculture Act of 1962

Congress passed the Food and Agriculture Act of 1962 in late September. The Administration, following President Kennedy's message to Congress, had hoped to apply mandatory production controls on wheat, feed grains, and dairy products, but Congress was willing to experiment only with the first. The new law did away with the minimum national wheat allotment of 55,000,000 acres. The Secretary could set the figure at whatever he determined was necessary to provide for domestic use, exports, and an adequate reserve. The system would go into effect in 1964 after farmers had voted whether or not to accept the new plan. Under this, producers would be issued certificates for their share of domestic human consumption and a portion of estimated exports. The certificates would be supported at between 65 and 90 percent of parity, but farmers who exceeded their

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[106] News Release 4012-62, November 15, 1962. New York Times, November 15, 1962. Washington Post, December 16, 1962.

[107] News Release 4012-62, November 15, 1962. New York Times, November 15, 1962. Washington Post, December 16, 1962.

[108] News Release 4012-62, November 15, 1962. New York Times, November 15, 1962. Washington Post, December 16, 1962.

allotments would have to pay penalties. If a farmers' referendum on the plan was negative, there would be no penalties but support would drop to 50 percent for compliers.[109]

History seemed on the side of the Administration. In 128 previous referenda, only eighteen (seventeen tobacco and one rice) had been disapproved.[110] Although a number of farmers' organizations supported a "yes" vote, the Administration quite obviously looked to ASCS committees to win a favorable response. The leading opponent of the plan was the American Farm Bureau Federation (AFBF) which brought great resources to bear in its campaign. In the vote, held on May 21, 1963, farmers rejected the plan.[111]

Interim Programs

The negative vote by farmers angered many supporters of the plan. The Farm Bureau, in opposing it, had argued that Congress would be forced to come up with a better one. For a time, President Kennedy, Secretary Freeman, and other influential Democrats favored letting wheat farmers try to get by on the alternative minimal program outlined in the 1962 Act. Midwestern Democrats, however, began maneuvering toward a bill which would incorporate most of the features contained in the rejected plan except for making controls voluntary and thus requiring no referendum. Sponsors suggested that 70-80 percent of wheat farmers would sign up in order to get diversion payments and certificates.[112]

The wheat bill stalled in Congress during battles over integration and in the aftermath of President Kennedy's assassination. In the meantime the House passed a bill to subsidize American textile mills in order to give them access to domestic cotton at the international price. The Senate tied the wheat bill to the cotton proposal. After adding a food stamp program to attract urban votes, the sponsors won on a close vote, and President Johnson signed it into law, April 11, 1964. Producers did put about three-fourths of the national base under allotments. The carrot had prevailed over the stick. The voluntary program coupled with increased export demand ameliorated the surplus problem and, for a time at least, ended the drive for mandatory controls.[113]

ASCS now administered programs with a two-year duration. Cotton producers received adequate supports while handlers and mills got subsidies which made the cost of

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[109] Bowers et al, History of Agricultural Price-Support.

[110] ASCS Background Information, No. 5, October 1963.

[111] Hadwiger and Talbot, Pressures and Protests, 281-294. Bowers et al, History of Agricultural Price Support.

[112] Hadwiger and Talbot, Pressures and Progress, 316-320.

[113] Ibid., 322-324. Wayne D. Rasmussen et al, "The Department of Agriculture During the Administration of President Lyndon B. Johnson: November 1963-January 1969," Volume I: Administrative History 28-32 (in the files of Agricultural and Rural History Section, ERS); hereinafter referred to as "Johnson Administration History.")

their cotton equal to the export price. The wheat farmer who chose to comply with the new program would get price supports, diversion payments, and certificates for 90 percent of his normal production in portions equally divided between foreign and domestic. The domestic certificates approximated 79 percent of parity and the export about 62 percent for 1964. Loan supports for certificate wheat were at the same levels and the remaining noncertificate wheat qualified for a 54 percent loan. Non compliers got no benefits.[114]

The Food and Agriculture Act of 1962 had not had a major impact on commodities other than wheat. The treatment of feed grains, however did point to new ideas for an expanding world economy in which American farmers could compete and still get reasonable returns. Voluntary acreage reductions remained along with payments in kind, but price supports dropped. In order to maintain income levels, ASCS paid farmers eighteen cents a bushel, in kind, calculated on normal production.[115]

The Food and Agriculture Act of 1965

Expanding foreign demand, moderate success with the feed grain program, desire to reduce surpluses and cut federal spending, and decisive rejection of mandatory wheat controls, all combined to encourage revised farm legislation. President Lyndon B.Johnson was deeply committed to a war on poverty in both urban and rural areas. He believed in decreased spending on commodity programs. The President also favored conservation efforts, especially those which emphasized recreation and beautification of the countryside. Congress had largely avoided commodity problems after passage of the Cotton-Wheat Act of 1964, but with the election over, Secretary Freeman advised the chief executive to call for new legislation. President Johnson asked for a good deal that was new as well as a reexamination of the old in his message to Congress of February 4, 1965. Wheat farmers had done relatively well under the 1964 act, but cotton growers had not. Increased yields, both at home and abroad, brought cotton stocks to an all-time high in 1965.[116]

President Johnson's legislative proposals went to Congress early in April. Secretary Freeman had suggested an umbrella commodities bill with a four-year life. The President omitted cotton -- calling for further study -- and asked for a two-year law. Both houses of Congress held extensive hearings, especially on wheat and cotton. Johnson finally signed the Food and Agriculture Act of 1965 on November 4.[117]

The legislation departed considerably from the recommendations. Political scientists admired it because it comprehended a wide range of commodities and because it covered an extended period -- four years. Many earlier laws had regulated one commodity and then for only a year or two. Less recognized at the time was the long-term impact of the act.

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[114] Rasmussen, et al, "Johnson Administration History," 32-33. Bowers, et al, History of Agricultural Price Support.

[115] Bowers, et al, History of Agricultural Price Support.

[116] Rasmussen, et al, "Johnson Administration History," 35, 58-59.

[117] Ibid., 36-37.

ASCS now began dealing with several export crops as it had with feed grains and wheat where supports were pegged at near world prices and growers received supplemental payments to bring each bushel or pound to a reasonable percentage of parity.[118]

The cotton regulations cut an even newer path. Payments to American mills, which allowed them to become competitive, were eliminated and replaced by supports set at 90 percent of world price. Compliers -- voluntary, of course -- reduced acreage by at least one-eighth and could opt to idle up to 36 percent. Diverted land qualified for payments from ASCS. The agency determined that the domestic acreage allotment for 1966 would be 65 percent of the total. It set support loans at 21 cents a pound for this portion and made direct payments of another 9.42 cents. The idea was to make American cotton competitive on the international market. As a result of the combination of diverted acres and bad weather, a reduced crop did well on the market and CCC stocks dropped.[119]

The law modified the wheat program by dropping export certificates, but the value of domestic certificates rose so that when added to loan rates the total was 100 percent of parity. The act also included programs for rice, wool, and dairy products.[120]

Cropland Programs

Secretary Freeman hoped to use his administration to initiate programs which would not only take cropland out of production for long periods in order to reduce surpluses and carryovers, but also to use the land positively for conservation, recreation, beautification, and so. Congress instituted the experimental Cropland Conversion Program (CCP) as part of the Food and Agriculture Act of 1962. Operating with a limited budget, CCP signed contracts with farmers in 120 counties in 38 states for five- or ten-year periods. They, in turn, put small grain, rowcrop, and tame hay acreages into use as woodland, wildlife refuges, grazing land, or outdoor recreational enterprises. ASCS and ERS cooperated to study the results. Congress extended the program but refused to expand it in fear of an over-expansion of grazing acres. CCP continued with modifications until the contracts signed in 1967 expired.[121]

The Food and Agriculture Act of 1965 authorized a much larger Crop Adjustment Program (CAP). It aimed for longterm reduction in crop acreage, urban-rural cooperation in outdoor recreation and beautification, and conservation of resources. CAP focused on land used for crops in surplus at any given time, paid bonuses to those who opened their program land without cost to the public for recreation, and through the "Greenspan" grants to other federal, state and local agencies to buy CAP-eligible land for permanent conversion to the public benefit. Somewhat later, CAP eliminated one of the most criticized features of CCP -- the use of converted land for grazing.

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[118] Ibid., 37-38. Bowers, et al, History of Agricultural Price Support.

[119] Rasmussen, et al, "Johnson Administration History," 38, 58-62.

[120] Ibid., 37-39.

[121] Ibid., 99-100.

Studies of CAP indicated that it was more cost-effective for supply control than commodity programs. It also aided the transition for those landowners who wanted to reduce the scale of their operations, and it met the broad goals set by President Johnson. In the first year, 36,000 farms put some 2 million acres in CAP under five- or ten-year agreement. Whereas the CCP operated on a budget of $10 million in restricted areas, CAP had $225 million for the contiguous forty-eight states. There were also fourteen Greenspan projects in the first year.[122]

The Agricultural Conservation Program (ACP), first authorized in 1936, had always been closely tied to ASCS and its predecessor agencies. The consistent purpose of ACP had been to maintain and increase soil fertility, combat erosion, and promote conservation. Even during administrations which believed that it was the responsibility of farmers to maintain these practices for their own benefit, powerful congressmen always restored budget cuts. They argued that many small farmers could simply not afford them. Secretary Freeman agreed. During his term of office, particular emphasis was placed on conservation practices which would aid in supply control as well.[123]

Civil Rights in ASCS

ASCS ran into a major controversy early in 1965. The United States Civil Rights Commission reported that it practiced widespread discrimination against blacks, especially in the South. President Johnson viewed the document favorably and asked Secretary Freeman to investigate within the next thirty days. Freeman acknowledged that discrimination existed and added that "prevailing social conditions" could not serve as an excuse. In 1964 there were only seven temporary ASCS employees in the South who were black.[124]

ASCS Administrator Godfrey took personal interest in the report. He ordered that vacancies in ASCS offices in southern states be filled by blacks. His action brought a number of protesting congressmen to his office. By early May, ASCS had hired 1,427 blacks -- mostly in shortterm acreage-measuring jobs -- and Administrator Godfrey receive a special merit award for elimination of discrimination.[125]

The problems of black farmers continued, however. Most operated small farms where ASCS programs were of little aid. During the decade of the 1950's, two-thirds of black farm proprietors or managers -- 325,000 out of 492,000 -- had left the land, and the outflow continued. In addition, the very nature of ASC committees militated against black members or employees. As Fortune magazine pointed out, only five blacks served on state committees. Of 37,000 community committeemen -- who were popularly elected -- 454 were black. No blacks served on the county committees which hired ASCS employees.

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[122] Ibid., 103-108.

[123] Ibid., 394-409.

[124] New York Times, March 1, 1965. USDA News Release 1558-65.

[125] Washington Post, April 9, April 30, 1965. USDA News Release 1558-65.

There were 310 blacks in the 2,892 county offices around the nation.[126]

6. Commodity Credit Corporation

Background

The Federal Government chartered the Commodity Credit Corporation as a fully owned subsidiary under the laws of Delaware on October 17, 1933 in accord with an Executive Order on the previous day. President Roosevelt acted under authority of the National Industrial Recovery Act passed in June as a part of the famous "First Hundred Days." CCC was capitalized at $3 million for the purpose of making loans to farmers on commodities placed in storage.

Neither CCC nor commodity loans had been a part of the Agricultural Adjustment Act of May 12, 1933, which was the umbrella legislation aimed at farm relief and recovery. By late summer it became obvious, however, that farmers were going to produce bumper crops and that market prices would likely remain disastrously low. In the fall of that year CCC offered low-interest loans at above-market prices to growers of cotton and corn who signed contracts guaranteeing to conform with Agricultural Adjustment Administration regulations during the following year. The loan-rate on corn, for example, was 45 cents a bushel which was about 10 cents above the current market level. CCC loans from the very beginning were non-recourse, which meant that if prices were below the loan level at the end of the storage year, the government would assume ownership. On the other hand, the farmer could reclaim the commodity at any time during the year by repaying the loan plus a small amount of interest.[127]

CCC achieved rapid acceptance. A bad drought struck the nation in 1934, and some farmers sold their stored corn for about twice the loan rate. The corporation itself made a profit of about a half million dollars. The popularity of the loan program guaranteed the survival of CCC even after both NIRA and AAA were found unconstitutional. CCC was originally an adjunct of the Reconstruction Finance Corporation, but became part of the Department of Agriculture in 1939. It was rechartered as a federal corporation in 1948. In 1954, under PL 480, the corporation was authorized to consign its stocks for sale, barter, or emergency use abroad. Throughout its existence, CCC has had officers appointed by the President but no operating personnel. These have come from a series of agencies extending from the original AAA to the present day ASCS.[128]

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[126] Roger Beardwood, "The Southern Roots of Urban Crisis," Fortune (August 1968), 64-67.

[127] Executive Order 6340, October 16, 1933. Interview, Donald R. Murphy, Columbia Oral History Collection. Murray R. Benedict, Farm Policies of the United States, 1790-1950, (New York, 1950), 332-333.

[128] Ibid. Baker et al, Century of Service, (Washington, 1963), 496-497. "The Commodity Credit Corporation," Speech of Winfred R. Church, Deputy Vice-President, CCC, August 25, 1982.

Kennedy-Johnson Administration

By 1961, the Commodity Credit Corporation had a capitalization of $100 million and the authority to borrow up to a limit of $14.5 billion. A seven-person board of directors, appointed by the President and confirmed by the Senate, governed it. The Secretary of Agriculture was Chairman, the Under Secretary was President, and the Administrator of the Agricultural Stabilization and Conservation Service was Executive Vice-President. In addition, a five-member advisory board, also appointed by the President, met at least every 90 days to examine policies and procedures. ASCS provided the facilities and personnel for CCC operations.[129]

The corporation's programs were seven-fold. Most familiar were those dealing with commodity price supports. CCC set nonrecourse loan rates for the six basics -- corn, cotton, wheat, tobacco, rice, and peanuts -- as well as for a variety of others ranging from tung nuts and honey to feed grains and dairy products. CCC also had an incentive payment program for wool and mohair.

CCC, secondly, provided commodity stocks for sale and barter. It began to use payment-in-kind certificates to encourage exports of wheat, cotton, rice, and feed grains from free market supplies, and it made cash payments to exporters of wheat flour and cotton products. Thirdly, CCC built storage facilities in areas where they were short, made loans for farm storage buildings, and used guarantees to encourage commercial building.

The corporation had authority to procure commodities not in its inventory if these were necessary for domestic or foreign use. It provided funds for the school milk program. Finally, CCC used its resources to carry out the provisions of the International Wheat Act of 1949 and the Agricultural Trade Development and Assistance Act of 1954 (PL 480).[130]

CCC's operations reflected the legislation adopted by Congress and the policies followed by the Administration. The inventory of many commodities had built up during the Eisenhower years. In December, 1960, CCC had near-record holdings valued at $6.1 billion and storage loans of another $1.8 billion, for a total commodity investment of $7.9 billion. Secretary Freeman made a priority of reducing these.[131]

By far the most important price-support loan commodities were corn, cotton, soybeans, and wheat, followed by rice, grain sorghum, and tobacco. In 1960, CCC owned considerable stocks of corn, cotton, grain sorghum, wheat, and dairy products -- butter, cheese, and nonfat dry milk. Between the end of that year and the beginning of 1969, CCC reduced its corn holdings from 1,471 million bushels to 261 million bushels, wheat from 1,133 million to 100 million, and grain sorghum from 557 million to 192 million. Inventories of both cotton and dairy products, however, fluctuated considerably during the same period. An increase in foreign demand amounted for some of the change. Corn exports went up

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[129] United States Government Organization Manual, 1961-62, (Washington, 1961), 272.

[130] House Committee on Appropriations, USDA Budget Hearings, 1962, Part 2, p. 684-686, 731-732.

[131] Report of the Secretary of Agriculture, 1961, (Washington, 1962), 4-5. Agricultural Statistics, 1972, Washington, 1973), 631.

240 percent between 1960 and 1965 and were still almost double in 1968. Wheat exports rose 50 percent by 1965 but then fell to slightly below the 1960 level in 1968. Soybeans rose more steadily and doubled during the eight years. Cotton exports, on the other hand, bedeviled both by foreign competition and by synthetics, fell by about two-thirds between 1960 and 1968.[132]

By the end of 1968, the Administration had achieved notable success toward its goal of reducing CCC's commodity investment. Although the dollar value of commodity loans had doubled, to $3.6 billion, the much larger inventories had fallen by more than 80 percent to only $1.1 billion. CCC's combined investment, which had been $7.9 billion in December, 1960, had been cut down to $4.7 eight years later.[133]

7. Federal Crop Insurance Corporation

Background

Crop insurance was another means by which the Department hoped to protect farm income. The earliest effort by American farmers to insure themselves against crop disaster probably was a mutual plan among Connecticut tobacco farmers in 1880 which lasted seven years. A number of companies attempted to write all-risk policies early in the 20th Century, but all found it too unprofitable. Hail insurance, on the other hand, was offered by about 40 mutuals, 43 stock companies, and four states in 1919 for a total coverage of $559 million. Adverse conditions, however, wiped out most of that coverage by 1934.[134]

The terrible droughts of the 1930s engendered interest anew, and President Roosevelt ordered an interagency study. After finding that private insurance companies did not feel they could handle the problem, Congress chartered the Federal Crop Insurance Corporation (FCIC) under Title V of the Agricultural Adjustment Act of 1938 as an independent body capitalized at $100 million.[135]

The early days were rocky. Lack of statistical data proved almost disastrous even though first wheat in 1939 and cotton in 1942 were the only crops covered. by 1945, FCIC had lost three-quarters of its capital. Congress replenished the funds but restricted

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[132] Ibid., 2, 34, 45, 75, 162, 621-623.

[133] Ibid., 631-632.

[134] Warren A. Bailey and Lawrence A. Jones, Economic Considerations in Crop Insurance, ERS-447 (Washington, 1960),
4-5. Randall A. Kramer, "The Historical Development of Crop Insurance in the United States," 1-2, draft paper in the files of Agricultural and Rural History Branch, ERS, USDA. Hereinafter referred to as Kramer, "Historical Development of Crop Insurance." This paper is an extended version of Kramer, "Federal Crop Insurance, 1938-1982," Agricultural History, 57(April 1983), 181-200.

[135] Kramer, "Historical Development of Crop Insurance," 5-10,14-20. Bailey and Jones, Economic Considerations in Crop Insurance, 5-6.

operations beginning in 1948 to only 324 of the previous 2500 counties. With conservative direction and accumulated data, FCIC gradually extended coverage to about 500 more counties in the next five years. During the Eisenhower years, even that cautious growth slowed. Although soybeans, barley, peaches, grain sorghum, oats, and rice were added to the wheat, cotton, flax, corn, and tobacco, previously listed, the number of counties remained about the same and were a small minority of the total.[136]

The Kennedy-Johnson Years

FCIC was governed by a five-man board of directors appointed by the Secretary of Agriculture. Three were from within USDA including the Manager of the corporation, and two, with experience in the insurance industry, came from outside. In 1961, FCIC had 22 state and area offices to oversee operations in the field. A branch office which handled statistics and accounting moved from Chicago to Kansas City in 1962. The corporation had been intended to finance administration and operations from a $12 million annual appropriation, but this had already proved inadequate, and Congress had begun allowing the corporation to dip into premiums to round out its budget. This leakage had made the accumulation of a reserve fund against disasters almost impossible. Requests to raise the level of appropriations proved of no avail, and some critics insisted that premiums should be restructured in a way to eliminate any federal appropriations.[137]

The Kennedy administration inherited a crop insurance program which was stagnant if not shrinking. The number of participating counties had at first declined from the 847 of 1953 and then increased slightly to 890. County programs of all crops insured had increased from 922 to 1597, but acreage insured had decreased by over 50 percent and the value of crops covered had dropped from $438 million to $272 million.[138]

Secretary Freeman adopted a policy of expanding FCIC's operations as rapidly as possible. During his first three years the corporation opened up 100 new counties annually, which was the limit allowed by law. It also added raisins, peas, peanuts, potatoes, apples, tart red cherries, and tomatoes in limited areas as experimental crops. Expansion into new counties slowed somewhat after 1964, and fewer experimental crops were introduced. On the other hand, coverage of several commodities increased appreciably. The insured acreage of citrus fruits -- a crop first introduced in 1951 -- grew by 600 percent between 1961 and 1969, while insured coverage climbed from $4 million to $38 million. FCIC started hundreds of new county programs for protection of corn, barley, grain sorghum,

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[136] Kramer, "Historical Development of Crop Insurance," 20-39.

[137] USDA Memorandum 1405, Revised, March 20, 1961. U.S. Congress. House. Subcommittee of the Committee on Appropriations. Hearings. Agriculture and Related Agencies. 1961-1969, passim.

[138] Agricultural Statistics, 1967, 597.

oats, rice, soybeans, and tobacco.[139]

The experimental crops introduced during the Kennedy-Johnson years met with mixed results. The potato program, for example, never expanded much beyond one county and had a consistently unfavorable loss ratio before it was phased out in 1969. Tung nuts and safflowers proved to be near disasters. The coverage for apples and tomatoes did not expand very much, but peas, peanuts, raisins, sugar beets and sugar cane showed modest and favorable growth.[140]

Wheat remained the cornerstone of FCIC operations. Between 1961 and 1969, its insured coverage grew from $93 million to $191 million. This represented an increase from 4 percent of the farm value of the crop to 10.5 percent. Coverage of other crops grew so rapidly during these eight years, however, that wheat premiums in 1969 were only 27 percent of the FCIC total as compared to 46 percent in 1961.[141]

The rapid expansion of FCIC between 1961 and 1964 slowed somewhat during the next few years, but the overall picture was one of remarkable growth during the Kennedy-Johnson years. The number of participating counties grew by 60 percent from 1961 to 1969. Insured units almost doubled while insured production increased three-and-a-half times, from $272 million to $917 million. On the other hand, FCIC suffered unfavorable loss ratios for three years, 1967-1969. Those who were in charge during those years blamed extreme weather damage to the cotton crops; their counterparts in the next administration claimed that coverage had been increased too rapidly and that rates had been lowered unwisely.[142]

An increasing number of bankers during the 1960s came to recognize that crop insurance was an important factor to weigh in their decisions whether to grant loans. Many farmers, however, looked at the cost of insurance as an unnecessary burden when profit margins were low. Others rejected crop insurance in the faith that the federal government would bail them out in time of disaster. This is the partial explanation for why only about 5 percent of corn acreage had insurance in 1969. FCIC leaders recognized that the corporation was unable to accumulate a reserve fund and that as a result it was tremendously vulnerable in case of large scale disaster. In dread of this they had variously asked Congress to raise appropriations to cover the full cost of administration and

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[139] USDA News Release 761-62, February 28, 1962. U.S. Congress. House. Subcommittee of the Committee on Appropriations. Hearings. Agriculture and Related Agencies. 1963, Part 3, p. 1528. Agricultural Statistics, 1967, p. 597. Ibid., 1972, p. 580-585.

[140] Kramer, "Historical Development of Crop Insurance," Appendix. Agricultural Statistics, 1972, 580-585.

[141] Agricultural Statistics, 1972, 2, 585.

[142] Ibid., 585. U.S. Congress. House. Subcommittee on Appropriations. Hearings. Agriculture and Related Agencies. 1963, Part 3, p. 1523. Ibid., 1970, Part 3, p. 677. Kramer, "Historical Development of Crop Insurance," Appendix.

operation or to give the power to borrow from the Commodity Credit Corporation in case its won funds were depleted. Congress rejected both proposals.[143]

8. Soil Conservation Service

Background

An important complement to the Department's efforts to support prices and control production was its soil conservation program. As USDA completed its first centennial of operations, the Soil Conservation Service had barely been in existence a quarter-century. Its creation gave belated recognition to the fact that society had a role and a stake in maintaining the productivity of the country's soil; society should assist farmers with soil conservation. Farmers, of course, had long struggled with soil erosion. In some cases, they merely abandoned land or practiced a type of field rotation. Some farmers tried to control erosion and devised a number of ingenious solutions. But there had been no focal point to organize information, conduct research, and educate farmers and the nation about the problems of soil erosion and how correct it. Hugh Hammond Bennett, a North Carolina native and career soil scientist in USDA, began publicizing his concerns about soil erosion. Along with W. R. Chapline, he wrote **Soil Erosion A National Menace**, a 1928 USDA publication, which proclaimed the magnitude of the problem. A year later he was instrumental in passage of legislation, the Buchanan amendment to an agricultural appropriations bill, which funded a group of soil erosion experiment stations.

Despite his efforts, soil erosion was hardly a matter of national concern and united efforts until the onset of the Great Depression caused a questioning of numerous aspects of American life. The connection between poor, eroded land and poor people came into focus. During the New Deal, new programs such as the Civilian Conservation Corps and the Federal Emergency Relief Administration provided jobs on projects deemed to be in the national interest. Natural resource projects received a great deal of support. The National Industrial Recovery Act of 1933 permitted work on erosion control. Secretary of the Interior Harold Ickes selected Hugh Bennett to head the new Soil Erosion Service in September 1933.

The new group set up demonstration projects in watersheds where it signed cooperative agreements with farmers to install conservation practices. Many of the conservation practices were not new, but the new service planned to utilize numerous methods in a conservation system tailored to individual farms.

The men working with farmers, who came to called "soil conservationists," strongly emphasized contour farming. Many farmers used contour terraces but needed to be introduced to grassed outlets, grassed waterways and grade stabilization structures. Where farmers included hay and small grains in their operation, stripcropping under longer rotation was emphasized. In general soil conservation practices were designed to fit the

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[143] Agricultural Statistics, 1972, 35, 581. U.S. Congress. House. Subcommittee of the Committee on Appropriations. Hearings. Agriculture and Related Agencies. 1966, Part 3, p. 243. Ibid., 1969, Part 3, p. 379.

terrain and the farmer's operations.

So popular was the new work that USDA and the Department of the Interior indulged in a tussle over it. President Franklin Roosevelt moved the Soil Erosion Service to USDA in 1935. In the Soil Conservation Act of April 27, 1935 Congress changed its status from that of a New Deal temporary, emergency agency to the newly created Soil Conservation Service with a legislative mandate for continuing soil conservation work with farmers.

Beginning in 1937 SCS changed its method of working with farmers from demonstration projects to conservation districts. In 1937 President Franklin Roosevelt sent a Standard Soil Conservation Districts Act to the governors. If the state legislatures and governors enacted a law which included the basic elements of the standard act, then local groups could organize conservation districts. USDA would then provide assistance, primarily trained personnel, while the districts set the priorities and directed the work.[144]

Through the years, Congresses and administrations gave SCS other natural resources responsibilities. But working directly with farmers through the conservation districts had been the activity that defined the agency and directed its energy. By mid-1962 USDA had agreements with 2,874 districts covering 1,696, 676,000 acres and 3,610,000 farms.[145]

During the Kennedy-Johnson administrations, USDA under Orville Freeman wanted to attack problems of rural poverty and underemployment. Many of people were not involved, or only marginally involved in agriculture. But they were in rural America and it was USDA mission to bring some of the opportunities for employment of urban America to the countryside. SCS had one of the larger field staffs in USDA and a good working relationship with rural people; The so-called delivery system reached directly to rural America. As a former governor of Minnesota, Freemen knew agriculture and the SCS. He proposed to use it in USDA's rural development thrust. SCS continued with its traditional activities, but but most of the new activities as well as changes of policy and programs in the 1960s were on behalf of rural development.

Rural Development

Secretary of Agriculture Orville Freeman stated his concern several times about the need for rural development and that it was the duty of the Department of Agriculture to take the lead. One one occasion he said that "in this decade we are broadening our concern from the field of agriculture as an industry to rural America as an element of our national society." At another time he pointed out that the Department under his administration was shifting its focus "from concern with physical resources to concern with

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[144] Douglas Helms, "SCS : 50 Years Young," **The Farmer**, St. Paul, Minnesota (March 16, 1985): 48-50.

[145] "Soil Conservation Districts: Status of Organization, by States Approximate Acreage, and Farms in Oreganized Districts, July 1, 1962," Mimeographed, p. 1. History Office, Soil Conservation Service, Washington, D. C.

people, and from concern with agriculture to concern with all of rural America."[146] At the Land and People Conference on January 15, 1962 he discussed three topics related specifically to land in rural areas. What use could be made of land not then needed for crops? How could rural people take advantage of the demand for recreation? What means could be used to bring economic opportunity to underemployed people in rural America?[147] That conservation programs and agencies were destined to be influenced by the emphasis or rural development became even more obvious when the secretary gave Assistant Secretary John A. Baker responsibilities for the agencies group under Rural Development and Conservation.[148] To meet the new emphasis on rural development and working with non-agricultural interests, Administrator Donald A. Williams emphasized that new soil conservationists coming into the Service should be able to work with urban, as well as rural people. They should be drawn not so much from general agriculture and agricultural education as in the past, but from outdoor recreation, wildlife management, engineering, plant sciences (especially biology), forestry, and range management.[149]

Resource Conservation and Development

As a former governor of Minnesota, he was well familiar with the programs of the Soil Conservation Service and with their possibilities for furthering the cause of rural development. Freeman called in Administrator of SCS Donald A. Williams and pressed his idea that there were situations where resource conservation could be merged with the idea of economic improvement for a rural area. Freemen supported the soil conservation districts, but he felt that in some cases there was a need for a multi-county, multi-jurisdictional approach wider than the soil conservation district authorities. Williams agreed to try several demonstration projects within SCS's budget, and Freeman suggested the possibility of additional appropriations if several successful demonstrations could be made.[150]

The Food and Agriculture Act of 1962 authorized technical assistance to combinations of federal, state, territorial, and other public agencies and local nonprofit

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[146] Current Developments, January 4, 1965, pp. 1-2.

[147] "Current Developments, Janaury 19, 1962, page 2.

[148] Donald A. Willaims, "Annual Message," **Conference Report of State Conservationists, Soil Conservation Service, 1963**. Processed (Washington, D. C.: Soil Conservation Service, 1963), p. 5.

[149] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1963,"** Processed (Washignton, D. C.: Soil Conservation Service, 1963), p. 5.

[150] Interview with Donald A. Williams, pp. 61-64, Soil Conservation Service History Office, Washington, D. C.

organizations to develop comprehensive plans for use and conservation of natural resources. SCS hoped to launch its new program in 1963. Freeman told the National Farmers Union Convention that "we hope this year to begin a number of Resource Conservation and Development projects which will enable farmers, or groups of farmers, to develop new income producing land uses."[151]

By September 1964, work plans had been completed for four RC&D projects in Wisconsin, Minnesota, New Mexico, and Indiana, with six other plans in progress for areas in Pennsylvania, Georgia, Vermont, South Dakota, Idaho-Washington, and Oregon.[152] The RC&Ds had a wide variety of emphases with the projects based on the economy, geography and skills of the people involved. For example, one of the most successful RC&Ds, the Northern Rio Grande Resource Conservation and Development Project covered a large area of northern New Mexico peopled by Spanish Americans living in rural villages. Farming did not provide sufficient employment. Some of the over 200 initiatives included the establishment of a marketing cooperative, building roads and recreational areas to increase tourism, and the lining of irrigations to improve the small farms.[153]

By late 1965 there were 10 pilot projects in operation covering some 345 counties. The appropriations for fiscal year 1966 included funds for ten addition RC&D projects covering 21 million acres in Kentucky's Tradewater River area, Tennessee's Hull-York Lakeland area, West Virginia's Little Kanawha area, Oklahoma's Ozark Highlands area, Maine's St. John-Aroostock area, Missouri's Top of the Ozarks Rivers area, Arkansas River Valley (Arkansas) area, Bitterroot Valley area in Montana, Alabama's Coosa Valley area, and Mississippi's Southeast Delta area.[154] About 300 projects measures had been activated. As with any new program there were some problems. Some local sponsors, and in some cases the SCS coordinator, had difficulties understanding the concepts. SCS had not been able to accelerate existing soil conservation programs in the RC&D areas as rapidly as hoped. Local sponsors had not made full use of the RC&D loans available through FmHA. Finally, the SCS became concerned about using RC&D funds to install structural measures similar to those one would in Small Watershed Project, but installing them in a watershed where a small watershed project had not been planned and was not

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[151] Current Developments, March 29, 1963, page 1.

[152] Current Developments, September 14, 1964, page 3.

[153] Richard B. Bowen, "Northern Rio Grande RC&D Project Awakens Area," **Soil Conservation** 30 (January 1965): 131-132; D. Harper Simms, **The Soil Conservation Service** (New York, N. Y.: Praeger Publishers, 1970), pp. 48-50.

[154] Current Development's, November 15, 1965, page 2.

feasible.[155] But RC&D proved to be an innovative concept that provided the basis for innovative people to solve area wide problems outside the realm of traditional soil and water conservation programs.

Community Development

Some of the information in the Department of Agriculture, especially information on soils and hydrology, was useful in planning for residential expansion into the rural-urban fringe area. Typical problems involved building subdivisions in areas where the soils were not suitable for septic tanks. Ignoring clayey soils with a high shrink-swell problem resulted in cracked foundations, wet basements, and homes sliding down hillsides. Another area of concern involved the problems of sedimentation and rapid runoff caused by leaving building sites stripped of vegetation. The Soil Conservation Service accelerated soil surveys in areas of urban development. SCS located some soil conservationists in a few urban fringe areas to work on nonagricultural land use problems, but for the most part services were provided by staff assigned to work through soil conservation districts. The districts had in many cases signed new cooperative agreements which broadened their programs.[156] In 1966 Congress, in P. L. 89-560, authorized USDA to carry out soil surveys in rural-urban transition areas, in addition to the surveys it had long done in agricultural areas. SCS could provide soil survey information to state and public agencies to assist them in community planning and resource development, including planning for highways, recreational facilities and water and sewage facilities.[157]

SCS assisted district officials and other municipal or country officials in understanding what needed to be included in sediment control laws. Montgomery County in the Washington, D. C. metropolitan area adopted sediment control laws which required developers to submit erosion and sediment control proposals to the Montgomery County Soil Conservation District.[158] The Maryland-National Capital Park and Planning Commission made extensive use of soil surveys and special interpretations of the soil survey information in its general plan of development for counties adjoining the Districts of

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[155] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1965,** Processed. (Washington, D. C.: Soil Conservation Service, 1965), p.13.v

[156] "New Horizons in Conservation: Excerpts From the 1963 Annual Report of the Soil Conservation Service," **Soil Conservation** 29 (May 1964): 227-234.

[157] "Current Developments, August 26, 1966, page 4.

[158] Donald A. Williams, "Soil and Water Planning for Suburbia," **Soil, Water, and Suburbia** (Washington, D. C.: U. S. Department of Agriculture and U. S. Department of Housing and Urban Development, 1968), 99-103.

Columbia.[159]

A major conference on Soil, Water, and Suburbia, cosponsored by the Department of Agriculture and the Department of Housing and Urban Development in 1967 brought attention to the problems, the sources of information, and encouraged better planning in the future.[160]

Recreation

The recreational development part of the rural development strategy of the Department also affected the Soil Conservation Service. The Secretary assigned leadership of the development of income producing recreation to SCS. The report to President Kennedy on Outdoor Recreation for America had said that the small watershed program and other agricultural conservation programs should be oriented to include more recreational benefits for the public. The report commended the farm pond program, a program that, at other, times would be criticized. In his annual message to Congress in 1963, President Kennedy said, "We will develop further our resources of land and water, and to redirect their use in order to supply our most essential needs---whether these be for food, timber, or recreation."[161]

Given unemployment in rural America and surplus production, the administration saw possibilities for recreational use of some agricultural land. Secretary Freeman told the members of the National Association of Soil Conservation Districts at their annual meeting, "It takes only a little vision to foresee many other ways to develop the recreational use of private lands--hunting, hiking, swimming, picnicking, camping, skiing come immediately to mind. The point is that even today, facilities for outdoor diversions are inadequate. In the next few years the demand is going to triple. And the basic requirements for meeting that demand are land and water--and imagination."[162] In order to assist SCS in identifying opportunities to develop recreational facilities, the National Association of Conservation Districts in 1965 sponsored an Inventory of Existing Private and Public Outdoor Recreation Areas and Enterprises. This was followed by an appraisal of undeveloped and underdeveloped recreation resources available.[163] SCS encouraged its soil conservationists

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[159] Current Developments, February 28, 1963, page 4.

[160] **Soil, Water, and Suburbia,** (Washington, D. C.: U.S. Department of Agriculture U. S. Department of Housing and Urban Development, 1968), pp. 1-160.

[161] Current Developments, February 28, 1963, page 2.v

[162] Current Developments, February 14, 1962, page 2.

[163] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1964.** Processed. (Wahsington, D. C.: Soil Conservation Service, 1965), p. 7.

to work on income producing recreation and monitored the progress.

Equal Opportunity

Secretary Freeman met individually with Administrator of SCS Donald A. Williams in 1962 to discuss increased employment opportunities in USDA for Blacks and other minorities. Williams in turn called on the state conservationists to report to him personally on the step taken in each to improve opportunities. Thomas L. Delton, a soil conservationist stationed at Ft. Valley, Georgia moved to Office of the Secretary to work on programs to bring Department programs to disadvantaged people. Another Black SCS employee James Hughes moved to the Washington office to assist in recruitment of Black employees.[164]

In its report on USDA program, **Equal Opportunity In Farm Programs**, the United States Commission on Civil Rights focused on three agencies with the largest field staffs in the South, the Extension Services, the Farmers Home Administration, and the Soil Conservation Service. The reported addressed both questions of employment and treatment of Black employees, as well as the matter of services provided to Blacks farmers. SCS had approximately 6,100 employees in sixteen Southern States, 40 of whom were Blacks. Half of these were in the professional jobs. The report found that most Blacks worked out of segregated offices and worked only with Black farmers. The survey of assistance provided to Black farmers found both discouraging and encouraging evidence. Black farmers did not receive equal treatment in the availability of technical assistance. But in the areas where assistance was available participation was high.[165]

The commission commended the SCS for the fact that it had for some time been trying to recruit more Negro professionals and had made progress toward desegregating work unit offices. But they observed, "A larger task remains to provide service on a nondiscriminatory basis which will not confine Negro professionals to working with Negroes or make the quantity and quality of service available to Negro landowners dependent upon the number of Negro staff members in a given area."[166]

As part of the effort to hire additional Blacks SCS worked with the 1890 universities to revise curriculum to qualify graduates for careers in soil and water conservation. Although the number of Black employees remained small compared to the total, progress was made. By early 1967 there were 447 Black employes in Service of whom 157 were

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[164] "Current Developments," July 31, 1962, pages 2-3.

[165] **Equal Opportunity in Farm Programs: An Appraisal of Services Rendered By Agencies of the United States Department of Agriculture. A Report of the United States Commission on Civil Rights, 1965** (Washington, D. C.: Government Printing Office, 1965), pp. 83-89.

[166] **Equal Opportunity In Farm Programs,** p. 89.

classified as economists, geologists, soil conservationists, or soil scientists.[167] During fiscal year the increased recruitment and liaison work on curriculums resulted in 47 Blacks youths passing the student trainee examination. Seventeen had passed the exam the year before.[168] The Civil Service Commission, in 1966, complemented the in Arkansas, saying "the Little Rock Soil Conservation Service office is now considered to be one of the more liberal and progressive agencies in terms of race relations by Negro leaders in Little Rock."[169]

As part of both the civil rights and the rural development thrusts SCS policy emphasized a greater effort to assist Black farmers through the regular conservation programs and the small watershed program. One watershed project, the Johnson Creek Watershed, provided flood protection to a community of Black farmers in Tennessee. It was one of the first watersheds studied to determine the impact of the flood control works on the income of farmers. Conservation education writer Martha Munzer used it as one example in her **Pockets of Hope.**[170] Although SCS did not have the power of appointment of local and state conservation organizations, the SCS field people were instructed to encourage minority members to participate in the state and local conservation organizations.[171]

International Activities

Since the founding of SCS in the 1930s the agency had participated in the exchange of technical information on soil conservation. The founders of the Service studied soil conservation in foreign countries to see what methods might be imported to the United States. After several years of experience, they make information based on their experience and research available to others. By far the favored method most favored within SCS to assist developing countries was to give the foreign soil conservation specialists, those who worked directly with farmers, an opportunity to study soil conservation methods in SCS field offices so they could modify these to meet different cultural and economic conditions back home.

During the 1960s teams send to foreign countries, often funded by the Agency for

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[167] Current Developments," January 25, 1967, page 3; August 4, 1967, page 3.

[168] Current Developments, August 4, 1967, page 3.

[169] Current Developments, February 16, 1966, page 4.

[170] Martha E. Munzer, **Pockets of Hope: Studies of Land and People** (New York: Alfred A. Knopf, 1967), pp. 121-159.

[171] Douglas Helms, "Notes on Blacks in the Soil Conservaiton Service," Processed, page 7. SCS History Office, Washington, D. C.

International Development, became more prevalent. Under Secretary Freeman, the department would "continue to help the developing countries with agricultural technology as well as with American food."[172] The Department tried to ensure that employees taking foreign assignments did not lose seniority or retirement benefits. Assistant Secretary John A. Baker told the SCS state conservationists that he was "convinced that an SCS employee with foreign experience is a better SCS employee in the United States when he returns."[173] He also believed foreign assignments should be a part of the career development program.

In addition to soil conservation work, the agency's expertise in drainage and irrigation was much sought after especially on projects trying to increase food production. One such team participated in the effort to improve irrigated agriculture in India. In 1966, 46 SCS employees, under USDA/AID agreements were working in Brazil, Indian, Madagascar, Mali, Morocco, Nicaragua, Niger, Nigeria, Paraguay, Senegal, Thailand, Tunisia, Turkey and Vietnam. The Agency for International Development, the Food and Agriculture Organization, and foundations sponsored some 385 visitors to the U. S. to receive training.[174] Administrator Donald A. Williams supported and participated in many of the projects. New Zealand instituted many of the recommendations after his study of that country's soil conservation operations.

Conservation Operations

The Kennedy-Johnson years were definitely a time of new responsibilities, programs, for SCS. In fact, the long-time cooperators of SCS, the soil and water conservation districts and their national organization, the National Association of Soil Conservation Districts, sometimes felt that the rural development activities reduced the assistance available to farmers and the districts.[175] Even with the initiatives in rural development, the primary work of SCS remained working with farmers and ranchers on soil and water conservation problems on their land.

SCS soil conservationists in the nearly 3,000 districts and field offices provided a wide variety of assistance with the aim of using land wisely without permanently reducing its productivity. In addition to some of the better known practices such as terraces, contour farming, stripcropping, SCS people in the field also provided assistance on range management and farm woodland management. They designed diversion structures, farm ponds, and irrigation and drainage ditches. They helped with windbreaks, sand dune

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[172] Current developments, January 4, 1965, page 2.

[173] "Remarks of John A. Baker," **Conference Report of State Conservationists, Soil Conservation Service, 1967." Processed. (Washington, D. C.: Soil Conservation Service, 1967), p. 5.**

[174] "Current Developments," April 7, 1967, page 3.

[175] History Interview with Gordon K. Zimmerman, History Office, Soil Conservation Service, Washington, D. C.

stabilization, as well as streambank stabilization. The farmer who wanted to provide additional food and habitat for wildlife could find assistance at the local district office. One of the innovations of the soil conservation movement had been the inclusion of wildlife considerations in when drawing up a conservation plan for the farm. Steep areas, permanent fence lines or contour lines could be used for plants that provided food and habitat for wildlife. In addition to selecting plants for erosion control, the plant materials center also selected plants that provided wildlife habitat.

The assistance available had to change with the agricultural economy, the concerns over environment, and the needs of the farmers and ranchers. As fish farming became more prevalent, people called upon SCS for engineering assistance for constructing fish ponds as well as in the practice of aquaculture from the agency's biologists. Anticipating that the demand would increase, the service started training courses is fisheries.[176]

SCS had to continually strive to redesign new terraces, and other conservation practices to accommodate the larger planting, cultivating and harvesting equipment being produced in the 1960s.[177] By the late 1960s minimum tillage which reduced the number of tillage operations began to make an impact and show promise of expanding.[178]

During its first 30 years, SCS had introduced more than 30 new grasses and legumes into use on farms and ranches. During fiscal year 1963, the agency believed probably 4.54 million acres had been converted from cropland to grassland using the grasses.[179]

As part of the departments work under the Appalachian Regional Development Act, the Soil Conservation Service in 1965 established a plant material center at Quicksand, Kentucky to find and select plants to fit the special land problems in the Appalachian region.[180]

After several years of trials and revisions, SCS, in 1967, initiated its woodland suitability groups. Essentially, the system related the soil types to potential growth of various species and the management problems that could be anticipated. It was designed

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[176] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1967,** Processed. (Washington, D. C.: Soil Conservation Service, 1967), 18.

[177] Donald A. Williams, Annual Message, in **Conference Report of State Conservationists, 1967** Processed. (Washington, D. C.: Soil Conservation Service, 1967), p.15.

[178] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1968,** Processed. (Washington, D. C. Soil Conservation Service, 1968), p. 9.

[179]Current Developments;, Septebmer 14, 1964, page 2.

[180] "Current Developments, June 3, 1965, page 3.

to be a planning tool to help select trees for the farm or small woodland holding.[181]

Along with the emphasis on great hiring of the minorities, there was increased emphasis on assisting minorities and low-income rural families. Administrator Williams told a gathering of the state conservationists in 1968, "It is important that everyone understand the social implications of the role we play in the orderly development of rural America's natural and human resources." He urged the states to study their successes and failures in this area so as to improve their programs.[182]

Toward the end of the Kennedy-Johnson years those issues that came to be called "environment" issues came increasingly to the fore. Administrator Williams called on the Service to learn more about alternatives for disposal of feedlot and poultry wastes, crop-processing wastes, domestic sewage, garbage, and refuse. Sediment as a pollutant attracted more attention. SCS surveyed reservoirs in the South to better understand the relationship of land treatment, land stabilization, and structural measures to sedimentation.[183]

Soil Conservation Districts Broadened

The Soil Conservation Service carried its technical support and recommendations to America farmer's in cooperation with local soil conservation districts. This working arrangement began in 1937 when President Roosevelt sent a copy of the "Standard State Soil Conservation Districts Law" to the governor of each state. After the state had enacted a law based on the standard act and local districts had been organized, the district could sign a cooperative working agrement with the Department of Agriculture. The cooperation could take many forms, but a major method has been for SCS soil conservationists to work directly with the districts. Originally the cooperative agreement defined USDA's role as assisting "in achieving erosion control and soil conservation." During the intervening years both the districts and USDA undertook new programs. To reflect the expanded nature of the cooperation, USDA revised the agreement to state that USDA would assist districts "in conserving and improving soil, water, vegetative, wildlife, and related resources, and in reducing damage by flood and sedimentation." Secretary Freeman signed the first of the new type agreements with the Southeastern Soil Conservation District of North Carolina on

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[181] Donald A. Williams, "Annual Message," in **Conference Report of state Conservationists, 1967,** Processed. (Washington, D. C. : Soil Conservation Service, 1967), p. 17.

[182] Donald A. Williams, "Annual Messgae," in **Conference Report of State Conservationists, 1969,** Processed. (Washington, D. C.: Soil Conservation Service, 1968), p. 9.

[183] Donald A. Williams, "Annual Message," in **Conference Report of State Conservationists, 1968,** Processed (Washington, D. C.: Soil Conservation Service, 1968), p. 8.

April 23, 1962.[184] There were 600 of revised memorandums of understanding in effect by August 1963.[185]

To indicated the interrelatedness of soil and water resources and the actual activities of the districts, Oregon, in 1963, changed the name of the districts to Soil and Water Conservation Districts. The trend continued into other states.[186]

Great Plains Conservation Program

Drought in the 1950s led once again to discussions of how best to farm in Great Plains with the twin problems of drought and wind erosion. USDA people, working with a rejuvenated Great Plains Agricultural Council, devised a program which President Eisenhower signed into law on August 7, 1954 (A. L. 84-1021), the Great Plains Conservation Program. The law authorized the Secretary of Agriculture to enter into long-term contracts with farmers and ranchers in the Great Plains States to assist them in making orderly changes in their cropping systems and land uses which would conserve soil and water resources and preserve and enhance the agricultural stability of that area. The program added the concept of the long-term contract covering the whole ranch or farm between the government and the farmer. Designers of the program placed emphasis on converting land unsuitable for cropland back to grass, as well as sharing the cost of conservation measures that would best help the farm through drought periods.[187]

By 1962 there were 17,000,000 acres covered in some 7,000 contracts. During the Kennedy-Johnson years the number of contracts nearly doubled to over 31,000, and the acreage expanded to 56,000,000 acres. The conservation plans, which covered the entire farm or ranch, included many conservation practices. Through mid-1968 some of the most prevalent practices included establishing permanent vegetation on over 1 million acres, a half million acres of field stripcropping, over 1 million acres of reseeding rangeland, and controlling brush on over 3 million acres.[188]

User Fees

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[184] "Current Developments," February 14, 1962 and May 11, 1962.

[185] Donald A. Williams, "Annual Message," **Conference Report of the State Conservationists, Soil Conservation Service, 1963,"** Processed (Washington, D. C.: Soil Conservation Service, 1963), p. 4.

[186] "Current Developments," June 13, 1963, page 3.

[187] Douglas Helms, "Great Plains Conservation Program: 25 Years of Accomplishment," Processed. (Washington, D. C.: Soil Conservation Service, 1981), pp. 1-21.

[188] Soil conservation porgress reports, History Office, Soil Conservation Service, Washington, D.

Among the legislative proposal on conservation which did not become law was a so-called user fee. In 1965 the Bureau of the Budget proposed to Congress that the Soil Conservation Service budget be reduced $20 million. To make up the difference BOB suggested a revolving fund be maintained by user fees from farmers who took advantage of technical advice from the SCS soil conservationists and technicians.

Senator John Sherman in the **Congressional Record** of July 13, 1965, reported receiving "hundreds of letters from farmers, soil conservation district supervisors, county banks, and others in Kentucky who were concerned about the proposed change in the Soil Conservation Service program." The budget cutting proposal died because Congress held that legislative action was required to establish the revolving fund.

Small Watershed Program

The Small Watershed Program authorized in the Watershed Protection and Flood Prevention Act of 1965 offered one of the most promising ways for the Freeman Administration to promote its plans for rural development. The U. S. Department of Agriculture first became involved in flood control with the passage of the Flood Control Act of 1936. The act setup a process whereby Congress designated river systems which the Corps of Engineers could survey and then design flood control projects. Congress could then approve the flood control reports and appropriate money. The act also assigned authority to the Secretary of Agriculture for "investigations of watersheds and measures for runoff and water flow retardation and soil-erosion prevention on watersheds."[189] The Flood Control Act of 1944 approved eleven of the watershed plans submitted by USDA for operations. Various factors, especially the controversy over the inclusion of floodwater retarding structures in watershed plans, hindered the approval any more projects under the Flood Control Act of 1936. Flooding and continued agitation from the countryside for an upstream flood control program led to the passage of the Watershed Protection and Flood Prevention Act of 1954, which authorized USDA to cooperated with local and state entities in flood control activities.[190] By mid-1960 Congress had authorized some 312 projects for soil conservation measures in the watersheds and for making engineering surveys and designs for structures. Of these projects 204 had been approved for the construction of structures, usually flood water retarding structures. The fact that 58 of these 208 had been approved in fiscal year 1961 gives some indication of how the years of planning and surveys beginning in 1954 were coming to fruition and how rapidly the construction phase of the program was accelerating.[191]

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[189] U. S. Congress, Senate, **Congressional Record**, 74th Cong., 2nd. sess., 1936, 80 pt.7: 7575.

[190] Douglas Helms, "Small Watersheds and the USDA: Heritage of the Flood Control Act of 1936," in **The Flood Control Challenge: Past Present & Future.** (Chicago, Illinois: Public Works Historical Society, 1988), pp.67-88.

[191] "Report of the Administrator, Soil Conservation Service, 1961, **Soil Conservation** 27 (February 1962): 160-167.

The existence of the program fit nicely the plans of the Freeman Administration for rural development. The projects often had multiple beneficiaries. Watershed projects required planning and evaluation and thus offered a way to evaluate rural development objectives and benefits. Federal money was available to share the costs of some categories of work.

Administrator of the Soil Conservation Service Donald A. Williams reiterated the Freeman Administration's position when he told the state conservationists of SCS, "Single-purpose flood prevention projects are low-priority projects. Our objective is to develop projects that encompass all of the land and water needs in the area and will contribute to the economic and social betterment of the community."[192] In 1962 the Kennedy Administration revised the economic standards for formulating and evaluating water and related land resources programs and projects. The new standards were designed to give priority to projects that promoted recreation, water quality control, reduction of unemployment, and community benefits--or what were known as secondary benefits.[193] The Food and Agriculture Act of 1962 amended the Watershed Protection and Flood Prevention Act of 1954 in providing federal cost-sharing for recreation in watershed projects. Another amendment, Public Law 89-337 of November 8, 1965, further expanded the possibilities of the watershed program when it increased limits on reservoir size from 5,000 acre-feet to 12,500 acre-feet. The action enhanced the possibilities for multiple purpose projects in small watersheds. Prior to the passage of the act, the Soil Conservation Service and the Corps of Engineers had reached agreement on coordinating upstream and downstream water resources development work.[194]

The emphasis on multi-purpose projects also seemed to respond to a criticism of the program that in far too many cases the projects in fact increased production, and added to surpluses, of crops under the various price support programs. This, in turn, added to to Federal expenditures.[195] Eventually SCS issued instructions to the states that projects whose primary purpose was to bring additional land into production would not be

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[192] Donald A. Williams, "Annual Message, 1962," **Conference Report of State Conservationists, Soil Conservation Service.** Processed (Washington, D.C.: Soil Conservation Service, 1962), pp. 7.

[193] Donald A. Williams, "Annual Message-1962," **Conference Report of State Conservationists, Soil Conservation SErvice.** Processed. (Washington, D. C.: Soil Conservation sErvice, 1962), pp. 6.

[194] Current Developments, November 15, 1965, page 2.

[195] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1963,** Processed. (Washington, D. C. Soil Conservation Service, 1963), p. 15.

approved.[196]

By 1968, SCS believed it had redirected the Small Watershed Program more to satisfy the rural development objectives. During that fiscal year, over half the benefits accrued to low-income areas including $17.1 million added to local payrolls; 5,700 new jobs created and facilities for 1.2 million annual visitor days of recreation.[197] The major categories of benefits scene as advancing rural development were recreation, fish and wildlife enhancement, and municipal and industrial water supply.

The shift in priorities ran head on into the wishes of the House Agriculture Committee which announced in 1967 that the main intent of act was flood protection. The chairman of the House agriculture committee announced that in approving projects the committee would favor flood protection and treat other justifications as "incidental."[198]

Another dispute between the Bureau of Budget and Congress delayed project approval. The Watershed Protection and Flood Prevention Act had stipulated that appropriations for projects requiring $250,000 or more could not be made until the appropriate congressional committee had approved a resolution. The appropriate committees were the House and Senate agriculture committees for projects without a single structure over 4,000 acre-feet capacity, and the House and Senate public works committees for projects exceeding that capacity. To BOB this type "committee legislation," violated the separation of powers. In 1966 BOB announced that it would no longer submit some watershed work plans to Congress for approval. Eventually they relented and the administration forwarded projects to Congress, but did not allow SCS to begin preconstruction land treatment or begin the needed engineering work. By the end of the Johnson administration there 95 such projects, which had been approved, but on which SCS was not permitted to start work.[199]

River Basin Studies

The Watershed Protection and Flood Prevention Act of 1954 (P. L. 83-566) which authorized the small watershed program also stipulated that USDA could cooperate "with other Federal, state and local agencies to make investigations and surveys of watershed of

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[196] Donald A. Williams, "Annual Message," in **Conference Report of State Conservationists, 1967,** Processed. (Washington, D. C.: Soil Conservation Service, 1967), p. 20.

[197] "Current Developments, October 18, 1968, page 5.

[198] Beatrice Hort Holmes, **History of Federal Water Resources Programs and Policies, 1967-1970.** U. S. D. A. Miscellaneous Publication No. 1379. (Washington, D. C.: U. S. Department of Agriculture, 1979), pp.165-171.

[199] Beatrice Hort Holmes, **History of Federal Water Resources Programs And Policies, 1961-1970** Miscellaneous Publication No. 1379 (Washington, D. C.: U. S. Department of Agriculture, 1979), p. 170.

rivers and other waterways as a basis for the development of coordinated programs."[200] During the 1950s, critics of the way water resources programs were planned and approved increasingly emphasized that planning should be done cooperatively among the federal, state, and local governments. In 1959 the Senate created the Senate Select Committee on Water Resources. Its report, issued on January 30, 1961, called for cooperation between the federal government and the states in preparing plans for comprehensive development and management of the water resources of all major river basin. President Kennedy early in 1961 created an interdepartmental water resources committee and advised them to come up with guidelines for accomplishing two objectives. One objective was to complete regional framework studies for the entire national by 1970. USDA, under the leadership of SCS and with the cooperation of the Forest Service and Economic Research Service, participated with other federal agencies in the framework studies to fit the various projects and programs of the federal agencies into a plan. A second aspect of the program was to accelerate the detailed subbasin studies to identify projects that could be completed within the next fifteen years. Other levels of river basin studies were also interdepartmental in nature, but more detailed. Often they had a particular project in mind.[201]

The Water Resources Council, created by the Water Resources Planning Act of 1965 (P. L. 89-80), coordinated the water resources activities, including river basin studies. The act also created river basin commissions in which USDA participated. During the Kennedy-Johnson years, the president established commissions for the Pacific Northwest, the Great Lakes, New England, and the Souris-Red-Rainey basins.[202]

During the 1960s, USDA participated in studies with other federal agencies, especially the Corps of Engineers, which had been authorized earlier. Some of these included the Delaware River Basin and the Potomac River Basin studies and the U. S. Study Commissions on Southeast River Basins and Texas River Basins. Early in the Kennedy Administration USDA participated in the Corps of Engineers study of potential development of

development of water resources of the Appalachia for economic betterment. The study led to the passage of the Appalachian Regional Development Act of 1965 (P. L. 89-4).[203]

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[200] **Conference Report of State Conservationists, Soil Conservation Service, 1962.** (Washington, D. C.: Soil Conservation Service, 1962), p. 8.

[201] Eugene C. Buie, "River Basin Surveys," **Soil Conservation** 32 (December 1966): 102-104; Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1963,** Processed. (Washington, D. C.: Soil Conservation Service, 1963), pp. 17-18.

[202] Eugene C. Buie, **A History Of The United States Department of Agriculture Water Resources Activities** (Washington, D. C.: Soil Conservation SErvice, 1979), pp. 113-116.

[203] Eugene C. Buie, **A History of United States Department of Agriculture Water Resource Activities** (Washington, D. C.: Soil Conservation Service, 1979), pp.51-62.

By far the majority of the river basin studies have been of the "cooperative" kind, one requested by, and conducted cooperatively with state or local agencies. The requesting agency usually has a specific objective. Some of the problems often considered are erosion and sediment damage; identification of prime farmland and methods to preserve it; agriculture-related water pollution; drought problems and irrigation requirements; opportunities for water conservation; impaired drainage; and water needs for livestock, rural domestic use, fish and wildlife, forest-based industries, municipalities, and other industries. The studies provide information needs by USDA or other agencies to plan their action programs.[204] The Water Resources Planning Act had also speeded up these types of activities. The act made matching funds available to state staffs to expand their expertise in comprehensive planning for water and related land resource developments. The states were then in a better position to request USDA cooperation in river basin studies.[205]

Flood Plain Management

The Flood Control Act of 1936 made assistance in flood control a national policy. But flood control damages kept apace with structural flood control works. An alternative, increasingly advocated as a means of reducing flood damages, was to discourage development in flood prone areas. A presidential task force in 1966 recommended that federal agencies with authorities to study flood problems should assist communities to determine flood hazards. The agencies could suggest alternative methods to structural works for reducing flood damages. These could include nonstructural methods and suggestions on flood plan management decisions.

Secretary's Memorandum No.1606 of November 7, 1966, assigned SCS primary responsibility under Executive Order 11296, August 10, 1966. The executive order stipulated that federal agencies in their construction, loan, and insurance programs should take care not to encourage development in flood prone areas. More importantly, it also made provision for state and local groups to request assistance from the Secretary of the Army (Corps of Engineers) or the Tennessee Valley Authority. USDA and other agencies were directed to cooperate with the Corps and TVA.

In the flood plain management studies SCS and the local or state entity agreed on a plan of study. A typical study would identify flood hazard areas, map the flood plain, inventory natural values in the area and suggest ways to preserve them, and suggest and analyze the effects of alternative flood plain management plans. Local and state

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[204] Beatrice H. Holmes, **Legal Authorities for Federal (USDA), State and Local Soil and Water Conservation Activities.** Processed. (Washington, D. C.: U. S. Department of Agriculture, 1987), p. 12-13.

[205] Donald A. Williams, "Annual Message," in **Conference Report of State Conservationists,** Processed. (Washington, D. C.: Soil Conservation Service, 1967), p. 19.

cooperators were expected to make monetary or in-kind contributions to studies.[206]

Soil Surveys

USDA became involved in making soil survey to assist farmers in the late 19th century. To organize their knowledge of soils, USDA soil scientists devised a soil classification system. By the 1950s they had determined that the old system had severe limitations in supplying guidance to the soil survey program and set out to develop a new classification system. Eventually titled Soil Taxonomy, the new system was approved in 1965. The system has since been adopted in many of the developing countries of the world and is being used to assist in transferring agricultural technology.[207]

Snow Survey

Congress in 1935 made an appropriation to the Division of Irrigation in the USDA for surveying the snow pack in the western states so as forecast the amount of irrigation water that would be available. The function moved to the Soil Conservation Service with the division in 1939.[208] In the mid 1960s, SCS began testing an system of automated collecting of snow pack information and transmitting it out of the mountains by radio.[209] In 1967, SCS was testing the pressure pillows and electronic telemetry system in seven states.[210]

Highway Erosion Control

Erosion from bare road banks in rural America had long been one of the prime

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[206] Beatrice H. Holmes, **Legal Authorities for Federal (USDA), State and Local Soil and Water Conservation Activities**. Processed (Washington, D. C." U. S. Department of Agriculture, September 1987), 13; Secretary' Memorandum No. 1606, November 7, 1966.

[207] Andrew R. Aandahl, 'The First Comprehensive Soil Classification System, **Journal of Soil and Water Conservation** 20(November-December 1965): 243-246; Roy W. Simonson, **Historical Aspects of Soil Survey and Soil Classification** (Madison, Wisconsin: Soil Science Society of America, 1987), pp. 1-30; T. R. Forbes (ed.), **The Guy Smith Interviews: Rationale for Concepts of Soil Taxonomy.** SMSS Tecnical Monograph No. 11 (Washington, D, C.: Soil Management support Services, Soil Conservation Service, 1986), pp. 1-259.

[208] W. W. McLaughlin, "Activities of the Division of Irigation, n. d., n. p. History Office, Soil Conservation Service.

[209] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1964** Processed. (Washington, D. C.: Soil Conservation Service, 1964), p. 16.

[210] Donald A. Williams, "Annual Message," in **Conference Report of State Conservationists, 1967,** (Washington, D. C.: Soil Conservation Service, 1967), p. 16.

sources sediments that caused problems down stream. The Soil Conservation Service, in the 1930s, instituted a large number of roadside-erosion-control demonstration projects cooperatively with counties, parishes, and townships. In addition to advising on the engineering aspects, SCS also tested plants selected in their plant materials works. Congress in the Federal-Aid Highway Act of 1966 (P. L. 89-574) provided that some of this expertise be put to use in federal highway projects by directing the Secretary of Commerce to consult with the Secretary of Agriculture on minimizing possible soil erosion. SCS worked with the Bureau of Public Roads in developing the guidelines submitted to Congress. They discovered that many state highway engineering offices did not have personnel who could translate the guidelines into contract specifications, so SCS served as a consultant to some departments.[211]

Conservation Needs of the Country

An understanding of the nature and extent of soil erosion and the kind of conservation work needed has been central to carrying out the SCS conservation activities. The Soil Erosion Service in late 1934 made a national erosion reconnaissance survey, which was published as a report of the National Resources Board.[212] **Soil and Water Conservation Needs Estimates For the United States**issued in 1945, surveyed on a state basis the amounts of labor, equipment, materials, and technical assistance required to establish and maintain the needed conservation practices on America's farm and ranch lands.[213]

SCS took the leadership in a three year study of the National Inventory of Conservation Needs beginning in 1957, and published the results in 1962. The study sampled information on cropland, pasture and range, forest and woodland, other land, urban and built-up areas, soil type, slope, and erosion data. In addition to assessing the conservation needed the raw data was also useful for special studies such as determining land use conversions and shifts in cultivation from intensive to grassland farming. The data also provided timely information for establishing USDA's priorities in the 1960s. One special study identified recreation sites and the information proved useful for a number of the comprehensive river basin studies then underway.[214] USDA used the informations in

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[211] Donald A. Williams, "Annual Message," **Conference Report of State Conservationists, 1967,** Processed (Washington, D. C.: Soil Conservation Service, 1967), p. 13.

[212] **Soil Erosion: A Critical Problem in American Agriclture.** Part V of the Report on Land Planning (Washington, D. C.: U. S. Government Printing Office, 1935), p. 19.

[213] **Soil and Water Conservation Needs Estimates for the United States.** Processed (Washington, D. C.: U. S. Department of Agriculture, Soil Conservation Service, 1945), pp. 1-11.

[214] Henry W. Dill, Jr. and Kenneth Nobe, "New Resource Planning Data from the National Inventory of Conservation Needs," **Journal of Soil and Water Conservation** 15 (September 1960): 199-204.

arriving at policies for soil and water conservation in "Land and Water Resources, A Policy Guide."[215]

USDA undertook another inventory of soil and water conservation needs of the nonfreehold rural lands in 1965 and published the results in 1967. In addition to updating the information collected in the 1957 inventory, the latter one included a special survey of small watersheds. The Small Watershed Program, operated mainly by SCS, had been in operation over ten years. The inventory identified watersheds which would be eligible for projects under the provisions of the Watershed Protection and Flood Prevention Act of 1954. These provisions were flood prevention, drainage, irrigation, rural water supply, municipal or industrial water supply, recreation development, fish and wildlife development, and water quality.[216]

National Food and Fiber Advisory Commission

The National Food and Fiber Advisory Commission, established by executive order in 1965, reported to President Johnson in 1967. The commission tried to distinguish between "conservation" and "development" and to recommend the desired level of public involvement and support. The commission determined that resources for food and fibre production were not in short supply if wise policies were followed. Consequently, they recommended that public subsidies for capacity-increasing farm practices be discontinued. Thus they believed that SCS programs and the payments under the Agricultural Conservation Program, rather than promoting increased production, be oriented to shifting excess cropland to less intensive uses. A new program patterned after the Great Plains Conservation Program and the Cropland Adjustment Program should be enacted to cover the marginal cropland areas of the country.[217]

9. Foreign Agricultural Service

Background

Americans have been exporters of agricultural products since shortly after the establishment of the first English settlement in Virginia. The sale of tobacco gave colonists the cash to buy implements, firearms, and other manufactured goods. Early in the 19th century cotton became the leading export. Foreign sales of wheat, meat, and other goods gradually increased in importance. Exports of agricultural goods provided much of the capital which built the nation's industrial plant and transportation network.

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[215] Donald A. Williams, "Annual Message," in **Conference Report of State Conservationists, 1963,** (Washington, D. C.: Soil Conservation Service, 1963), p. 7.

[216] **Basic Statistics National Invewntory of Soil and Water Conservation Needs, 1967.** USDA Statistical Bulletin Number 461 (Washington, D. C.: U> S. Department of Agriculture, 1971.

[217] Current Developments, August 4, 1967, page 2.

The United States demonstrated in several ways its concern with maintaining markets abroad. European doubts about the quality of meat products led in part to the establishment of the Bureau of Animal Industry in 1884 and the passage of the Meat Inspection Act of 1890. By that time close to half of the nation's cotton and a third of its wheat was sold overseas. In 1892, USDA had three sales promotion agents in Europe, and two years later, Secretary J. Sterling Morton organized the Section of Foreign Markets.[218]

Although the United States had become the world's greatest industrial power by the 1890s, its agricultural products continued to dominate exports. Only in 1911 did they drop below 50 percent for the first time. Governmental interest in maintaining high levels of exports remained manifest, however, and USDA consolidated all its foreign trade work within the Bureau of Agricultural Economics (BAE). Congress established the Foreign Agricultural Service (FAS) as a division within BAE in 1930. By 1939 it had attaches in seven regional offices reporting the agricultural situation and promoting American goods. A major executive reorganization in that year shifted the agricultural attaches to the State Department. FAS now became the Office of Foreign Agricultural Relations which had duties consisting mainly of data gathering, research, and advice from its office in Washington.[219]

All American exports declined precipitously during the depression of the 1930s. Agricultural sales dropped more than the average, in part as a result of recovery programs adopted by the Roosevelt administration. Beginning with the first Agricultural Adjustment Act in 1933, the New Deal aimed at tailoring production to domestic consumption and raising income through price supports. In anticipation of renewed international trade, Congress amended the Agricultural Adjustment Act in 1935. Section 22 allowed import quotas on price-supported commodities, and Section 32 allocated a substantial portion of tariff income for use by USDA for promoting consumption of commodities, including export subsidies.[220]

World War II created a huge new demand for agricultural products. Exports levels remained high in the immediate postwar period as many nations rebuilt their devastated economies. Both exports and farm income began dropping badly in the late 1940s. The outbreak of war in Korea gave foreign sales a short-term boost but made the rapid decline in 1952 seem all the worse. The incoming Eisenhower administration hoped to strengthen farm income, reduce surpluses, and, at the same time, emphasize a free market economy,

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[218] Wayne D. Rasmussen and Gladys L. Baker, The Department of Agriculture, (New York, 1972), 160-162. Trudy Huskamp Peterson, Agricultural Exports, Farm Income, and the Eisenhower Administration, (Lincoln, 1979), ix.

[219] Gladys L. Baker et al, Century of Service: The First Hundred Years of the United States Department of Agriculture, (Washington, 1962), 266-268.

[220] Jane M. Porter and Douglas E. Bowers, A Short History of U. S. Agricultural Trade Negotiations, ERS Staff Report No. AGES 89-23, (Washington, 1989), p. 2. Agricultural Statistics, 1972, p. 698.

through rebuilding a strong export program.[221]

The Mutual Security Act of 1953 used agricultural surpluses to bolster the nation's foreign policy. Even more significant was Public Law 480, the Agricultural Trade Development and Assistance Act of 1954. This legislation was the culmination of efforts going back at least to 1949 to use agricultural surpluses to assist developing nations. P.L. 480 encouraged disposal of foods and fibers in barter for vital resources, for emergency aid, or for sales in foreign currencies with the idea of building the economies of less developed nations. Over a fourth of agricultural exports fell under this program between 1954 and 1958. The peak year was 1957. As Don Paarlberg, at one time Assistant Secretary for Marketing and Foreign Agriculture in the Eisenhower Administration, later wrote:

> We sold what we could for cash. What we couldn't sell for cash we sold for credit. What we couldn't sell for dollars we sold for foreign currency. What we couldn't get money for we bartered. What we couldn't get anything for we gave away.[222]

In 1959 a change in legislation encouraged dollar sales. The success of FAS can be judged in part by the increase in agricultural exports. They had amounted to $2.9 billion in 1953, which was 19 percent of total exports. Eight years later the comparable figures were $5.1 billion and 24 percent. Commercial sales shared in this growth and made up about 70 percent in value of agricultural exports in 1961.[223]

Internationalists had long dreamed of an organization which would promote multilateral trade liberalization. The hope seemed about to become reality with the beginning of negotiations in 1946 aimed at chartering an International Trade Organization. By the time the document was completed two years later, however, it had come to be so watered down that it was never ratified. In the interim, the General Agreement on Tariffs and Trade (GATT) -- a supposedly temporary measure -- began a continuing process of periodic meetings to negotiate freer trade. Between 1947 and 1961 five rounds of GATT negotiations markedly reduced tarrifs among leading industrial nations and reduced other economic barriers. American congressmen, who were fearful that lowcost farm imports would harm domestic farm programs, forbade any agreement which would interfere with Section 22, and in 1955, the United States received a waiver from GATT of the rule against import quotas.[224]

Kennedy-Johnson Years

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[221] Peterson, Agricultural Exports, ix, 4-17. Agricultural Statistics, 1962, (Washington, 1963), 689.

[222] Baker et al, Century of Service, 389-390. Paarlberg quoted in Peterson, Agricultural Exports, xii.

[223] Agricultural Statistics, 1963, (Washington, 1964), 596. "U.S. Agricultural Exports Under Public Law 480," ERS - Foreign 395, 1974, p. 1.

[224] Porter and Bowers, A Short History of U. S. Agricultural Trade Negotiations, p. 2-5.

By the time that John F. Kennedy was inaugurated President, the Foreign Agricultural Service (FAS) had become, in only a few short years, one of the most significant agencies in USDA and the one whose only purpose was to serve USDA abroad. Shortly after Secretary Ezra Taft Benson took office he had reconverted the Office of Foreign Agricultural Relations to an FAS which would play a much more active role than its predecessor. In 1954, FAS recaptured the agricultural attaches from the State Department. The timing was fortuitous because, while surpluses were mounting in the United States, many other nations were running short of food and fiber. By 1961, the operations of FAS affected national security and foreign policy as well as basic aspects of American farming.

FAS ran most of the P.L. 480 programs which the Eisenhower administration had largely used to sell surplus goods to third world countries for their nonconvertible currency. One part of P. L. 480 -- Section 104(a) -- came to be, within the next few years, one of the most significant driving forces of the total FAS program. It provided that 5 percent of foreign currencies received should be used to promote the sales of American agricultural goods abroad. Section 104(m)(B) similarly allocated foreign currencies for American participation in international fairs. By the time of the Kennedy administration, the idea of long-range market development became highly popular with producers, exporters, and potential foreign consumers. By the end of the 1950s, as exports grew, FAS increasingly was called upon to develop sustaining foreign markets and dollar sales. The agricultural attaches promoted American products and gathered the data which Washington used to make estimates of finances, prices, trends of production and consumption, as well as the policies of other nations. A CBS commentary described the typical attache's work as constantly pushing American goods and hunting new markets. FAS also used its collected data to negotiate removal or lowering of trade barriers.

In addition to research, analysis, and foreign aid, FAS worked with nonprofit trade groups (cooperators) to generate more commercial sales. Exporters increasingly had come to recognize the advantages of this relationship. FAS financed market development projects from Section 32 funds (of the 1935 amendments to the Agricultural Adjustment Act), from foreign currencies received under P.L. 480, and money provided by the cooperating trade groups. Among other responsibilities, FAS represented the nation at international conferences and in international organizations which dealt with agriculture, and it encouraged participation in world fairs and exhibitions. Although many Americans identified FAS with the highly visible aid projects, especially under P.L 480, commercial sales made up more than two-thirds of agricultural exports by 1961, and both producers and exporters were looking to the agency for cooperation and support.[225]

Administration

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[225] U.S. Congress. House. Subcommittee of the Committee on Appropriations. Hearings. Agriculture and Related Agencies. 1960, Part 3, p. 1435-1437. Ibid., 1962, Part 2, p. 15-17, 48-53. The U.S. Agricultural Attache: His History and His Work, FAS M-91 Rev., (Washington, 1966)

At the beginning of the Kennedy administration FAS had 813 employees; 572 were in Washington and 238 abroad. The agency was headed by an Administrator who reported to the Assistant Secretary for Marketing and Foreign Agriculture. In 1961 these were, respectively, Robert C. Tetro, a career employee, and John P. Duncan, Jr. Under Tetro there were Deputy Administrators for Operations and for Programs. Operations had Assistant Administrators for agricultural attaches, internal affairs, and management. The Washington office of attaches had a section which handled field reports plus four area officers who covered Europe, Latin America, the Far East and Southeast Asia, and the Middle East and Africa. The two Assistant Administrators in Programs handled export programs and commodity programs. Export programs had five area coordinators similar to the area officers in the attache office except that the Far East and Southeast Asia were separate. Commodity programs had 8 commodity divisions ranging from cotton to sugar and tropical products.[226]

Reorganization in April 1961 signalled FAS' growing role in support of commercial sales and market development. It transferred the Foreign Agricultural Analysis Division, the International Monetary Branch, and the Trade Statistics Branch into the newly formed Economic Research Service. As Tetro testified, these groups were involved in long-range analysis and were not necessary for the programs for which he saw FAS as "a primary sales organization" of USDA. On the other hand, and at approximately the same time, the Commodity Stabilization Service gave FAS its Barter and Stockpiling Division and the office of General Sales, the managers of which reported directly to the Administrator.[227]

By January 1962 the position of Associate Administrator had been added, and when Tetro resigned to become agricultural attache in Italy, Secretary Freeman appointed Raymond A. Ionnes, who had briefly held the Associate's position, as Administrator, on March 14. Two months later, another shift placed FAS under the purview of Under Secretary Charles S. Murphy. On August 9, Clarence Eskildsen became Associate Administrator and G. E. Tichenor Deputy Administrator for A.I.D. A year later Tichenor's division was spun off to become the separate and equal International Agricultural Development Service, a small group which assisted farmers in less developed countries improve farming methods. Both agencies were now under the new office of Assistant Secretary for International Affairs.[228]

During the Kennedy-Johnson years, areas of responsibility within FAS were relatively well defined for such a new and dynamic agency. The Administrator, along with his other duties, also served as a vice president of the Commodity Credit Corporation. This was to be expected because of the close ties in dealing with agricultural goods under P.L. 480.

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[226] Ibid., p. 16, 49-50. USDA News Release 884-61, March 24, 1961. USDA, Telephone Directory, September 1961, p. 110-111.

[227] Ibid. U.S. Congress. House. Subcommittee of the Committee on Appropriations. Hearings. Agriculture and Related Agencies. 1962, Part 2, p. 48-53. United States Government Organization Manual 1961-1962, (Washington, 1961), 271-272.

[228] Press Release 972-62, March 14, 1962; 2833-62, August 9, 1962. USDA, Telephone Directory, 1961-1963, passim.

The Associate Administrator assisted and acted for his chief. There were seven divisions next in the line of authority. The General Sales Manager administered the programs which sold CCC stocks and price support commodities for dollars. The Assistant Administrator for Export Programs handled FAS programs under Title I of P.L. 480 and also oversaw the use of foreign currencies received as well as appropriations for the purposes of market development. The Barter and Stockpiling Manager administered the barter of surplus agricultural goods for items necessary for national objectives. The Assistant Administrator for Commodity Programs was in charge of international production, marketing, prices, consumption patterns, and trade, in order to interpret this data for American producers, processors, traders, and consumers. The Assistant Administrator for International Trade handled trade agreement programs and negotiations. The Assistant Administrator for Agricultural Attaches oversaw their activities and the collection and interpretation of the intelligence they gathered. Finally, the Assistant Administrator for Management did the housekeeping duties of coordinating and evaluating operations. The various branches and sections under these divisions remained almost exactly as described above.[229]

Operations

Although foreign agricultural assistance programs during the 1950s served a variety of ends, such as humanitarian purposes, bolstering allies, and winning good will among the uncommitted, their major and far-from-hidden aim was to was to reduce the burgeoning stocks of surplus commodities. In 1957, Mutual Aid and P.L. 480 goods peaked at 41 percent of all agricultural exports. By the 1960s, however, growing numbers of American producers, processors, and traders had become interested in developing long-term commercial markets. In 1961, although total agricultural exports had increased, the foreign aid percentage had declined to 30 percent. Barter goods, in particular, under considerable attack by those who believed that they interfered with commercial sales, dropped by about 60 percent, and A.I.D. assistance fell by about half. Sales for nonconvertible currencies, after dipping somewhat in the late 1950s, recovered by 1960 and indeed rose for a few years. The bulk of these funds were loaned to recipient countries for economic development. Studies soon showed that as per capita income rose, commercial agricultural imports from the United States increased at an even more accelerated rate.[230]

As FAS placed increasing emphasis on market development in cooperation with commercial trade groups, positive results occurred around the world. In 1961, the Administrator reported that the agency had won acceptance of canned chicken by Australia, lowered tariffs on soybean oil by India, Pakistan, and Iran, and the use by Spain of soybean oil in its own right and not simply as an extender for olive oil. He noted that studies of consumer needs by FAS, followed up by market promotion had built a huge

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[229] 32 F.R. 10117-10118.

[230] 12 Years of Achievement Under Public Law 480, ERS, Foreign 202 (Washington, 1967), iii-iv, 5. Congress and the Nation: 1945-1961 (Washington, 1965), 742. USDA 1512-60, "What Can Government Do To Assist Exporters of Agricultural Commodities?" Remarks by C. R. Eskildsen, May 19, 1966.

outlet for American poultry in West Germany. Throughout the rest of the Kennedy-Johnson era, FAS witnesses gave enthusiastic testimony to Congress on the advantages of cooperative marketing development, despite occasional setbacks. The "chicken war" of the 1960s was an example of the latter. In 1962, American poultrymen were selling almost 150 million pounds of chicken to the European community, largely to West Germany. Five years later, EC's policies had cut sales by more than 90 percent, and their subsidized exports to Switzerland had almost driven the United States out of that market. Counter-subsidies regained a fair American share, but the contest foreshadowed possible future conflicts.[231]

Although the market development program had originated as a way to use nonconvertible currencies, a task force appointed by Secretary Freeman reported in late May, 1961, that it was imperative to expand beyond the limits of P.L. 480. The group pointed out that regular dollar appropriations were necessary for promotion and expansion in hard money markets. By 1963 FAS was cooperating with more than 40 trade and agricultural groups to promote commodities in over 50 counties. Activities were heaviest in Japan and the countries of Western Europe. After only two years of cooperation between FAS and commodity organizations, soybean oil which had been a low earner of dollars, now had become a major one. In another area, three wheat industry groups, working with FAS, had representatives in eleven cities on four continents. In addition they were trying to break the Canadian near-monopoly on the Japanese market.

FAS required each industry cooperator to submit an annual marketing plan in which it spelled out its goals, the means to achieve them and an explanation of why these were better than alternatives, a staffing outline, and an estimate of costs. Agricultural exports rose dramatically between 1961 and 1967 by $1.9 billion to $6.8 billion, which was 22 percent of all American exports. Commercial sales had climbed by 153 percent while government-aided sales dropped by a third. Both the market development programs and the rapid rise of living standards in the targeted countries contributed heavily to the change. By 1968, FAS was working with more than sixty nonprofit industry groups to promote sales in seventy some countries. FAS and industry shared costs at about $13 million each. American agriculture had benefitted from increased sales because of world food shortages in the early 1960s which many observers predicted would become endemic. The following few years proved them wrong. Increased productivity and good weather combined to yield bumper harvests, and in 1969, agricultural exports dropped to $5.7 billion or only 16 percent of total foreign sales.[232]

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[231] House Committee on Appropriations. USDA Budget Hearings, 1962, Part 2, p. 37-38,40. Ibid., 1963-1969, passim. Report of the Secretary of Agriculture: 1968, (Washington, 1969).

[232] "From Concept to Program," Remarks by Robert C. Tetro at foreign market development conference, March 2, 1961. "Foreign Agricultural Market Development: A Task Force Report to the Secretary of Agriculture," FAS, June 1961. House Committee on Appropriations. USDA Budget Hearings, 1964, Part 3, p. 2028, 2044-2049. U. S. Agricultural Exports Under Public Law 480, ERS-Foreign 395 (Washington, 1974), 1.

By the end of the Johnson administration, FAS and its industry cooperators had worked out an expansive system for promoting agricultural commodity sales abroad. There were three permanent trade centers, in Tokyo, London, and Milan, which USDA operated in conjunction with the Commerce Department. These provided space for specialized agricultural exhibits as well as a place for potential buyers and sellers to confer. International trade fairs, on the other hand, were held in various cities around the world especially for promoting commerce. By 1968, USDA had taken part in 221 trade fairs in more than forty countries. Most had been in Western Europe or Japan although other countries were becoming increasingly involved. The dozen or so fairs in 1967, for example, included exhibitions in Bulgaria, the USSR, Ghana, Hungary, Poland, and Thailand. Several state governments joined FAS and industry cooperators at these affairs during the 1960s. In April, 1968, the United States participated in the largest promotion to date, in Tokyo, capital of our largest export market. USDA stepped up the use of another promotional vehicle, trade missions, in 1967. American producers and exporters had a chance to take a first hand look at markets, actual and potential, and to talk with customers. They could gauge needs both as to standards and quantity. Among others, Secretary Freeman sent a team to five East European countries during the summer of 1968. Foreign trade missions also visited the United States, sponsored by FAS and industry cooperators.[233]

President Kennedy tried to further the foreign trade of the United States through passage of the Trade Expansion Act of 1962 which gave him power to lower 1961 tariffs as much as 50 percent through negotiation. Kennedy demonstrated serious intent going into a new round of GATT (General Agreement on Tariffs and Trade) negotiations by creating an ambassadorial level Special Trade Representative. The immediate effect, however, was disappointing because of the EC's failure to agree on a common agricultural policy and French President Charles DeGaulle's veto of Britain's entry into the Common Market. The ensuing post Kennedy Round of negotiations gave the United States $860 million in advantages on the export of agricultural goods such as soybeans, meats, tallow, tobacco, fruits, and vegetables, while making concessions of about $610 million on agricultural imports. In addition, although agricultural trade with Communist bloc nations had been severely circumscribed during the 1950s, the barriers began to be lowered, presaging a time when the Soviet Union would become a major, if erratic, purchaser of American grain. Before the end of the Johnson administration, however, increased French wheat production and export subsidies had begun to cause concern.[234]

FAS' responsibility for P.L. 480 programs remained important through the

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Rasmussen et al, "Johnson History," 142. Agricultural Statistics, 1976 Washington, 1977), 569.

[233] Rasmussen et al, "Johnson History," p. 143-156.

[234] Congress and the Nation: 1945-1961, Washington, 1965), 202-203, 719. Wayne D. Rasmussen et al, "Johnson Administration History," 121-122. Jane M. Porter and Douglas E. Bowers, A Short History of U.S. Agricultural Trade Negotiations, ERS Staff Report No. AGES 89-23, (Washington, 1989), p. 8-9.

administrations of Presidents Kennedy and Johnson even as emphases on the different aspects of farm exports shifted. During Johnson's first month in office he stressed that he intended to pursue policies that would expand foreign trade. In a "Food for Freedom" message to Congress on February 10, 1966, he called for significant legislative changes. Congress agreed, and beginning on January 1, 1967, the nature of P.L. 480 agreements were changed considerably. Food shipments were no longer limited to surplus commodities. Future sales were to be almost completely for dollars or on the basis of long-term dollar credits. Nations receiving aid had to demonstrate that they were developing technical and scientific self-help programs which would make them no longer dependent on assistance. The legislation also foresaw the decline of massive Title I grants of grain and the growth of Title II programs which included help for school lunches, food-for-work, and the like. The United States would place special emphasis on nutritional value. Finally, the revised legislation authorized the use of foreign currencies to assist voluntary family planning programs. Congress, however, refused to accede to President Johnson's wish that Food for Peace be renamed Food for Freedom.[235]

10. Marketing Activities

The Marketing System in 1961

The marketing system that the farmer faced when John F. Kennedy became President and Orville Freeman became Secretary of Agriculture had undergone a near revolutionary transformation. It had greater complexity, wholesale trading had become decentralized and given way to increased direct buying, and the firms themselves concentrated into fewer and ever larger units with their centralized buying organizations, new forms of vertical integration, and contract marketing.[236]

Overall supervision of marketing work has been assigned to an Assistant Secretary whose functions and titles have changed from time to time. John P. Duncan was appointed as Assistant Secretary for Marketing and Foreign Agriculture on February 27, 1961. On February 20, 1962 the position was redesignated as Assistant Secretary for Marketing and Stabilization. Duncan left on August 1, 1963. George Mehren succeeded him as Assistant Secretary for Marketing and Consumer Services on September 3, 1963, serving until May 31, 1968.[237]

When AMS had been established in 1953, Deputy Administrators were appointed for Marketing Research and Statistics and for Marketing Service. On October 9, 1959 a third Deputy Administrator for Economics and Statistics was appointed with some functions that

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[235] 12 Years of Achievement Under Public Law 480, ERS, Foreign 202, (Washington, 1967), 1. Report of the Secretary of Agriculture: 1968, (Washington, 1969), 42-43.

[236] Frequently this study has been based on chapter 5 of W. D. Rasmussen's "The Department of Agriculture during Administration of President Lyndon B. Johnson, Nov. 1963-Jan. 1969." Copy available in Agricultural and Rural History Section, Economic Research Service.

[237] Secretary's Memorandums 1496 and 1545,

had been assigned to that for Marketing Research and Statistics.

A major reorganization of the agency occurred with the coming of Orville Freeman as Secretary of Agriculture in 1961. Following an announcement of his intention to realign economic and statistical work, the Economic Research Service and the Statistical Reporting Service were established on April 3, 1961. To ERS the Deputy Administrator, Economics and Statistics was transferred with the Agricultural Economics Division, the Outlook and Situation Board, the Marketing Economics Research Division, and the Market Development Research Division. Similarly, the Agricultural Estimates and the Statistical Standards Division, the Crop Reporting Board, and the Market Surveys Branch of the Market Research Development Division were transferred to the new Statistical Reporting Service.

Following these transfers, the Agricultural Marketing Service placed greater attention to marketing services and regulatory programs, market quality, and transportation facilities research. The Service continued to administer the marketing agreements and orders under the Agricultural Marketing Act of 1937 as it was expanded to include more commodities. It was also charged with responsibility for the National School Lunch Act of 1946, the special milk program under the provisions of the Agricultural Act of 1954; and the surplus removal, export and diversion programs under Section 32 of the 1935 amendments to the Agricultural Adjustment Act. However, the administration of the milk and tobacco marketing agreements and orders were transferred to the Commodity Stabilization Service on April 24, 1961. Then, on August 8, 1961, the Secretary was authorized to expand the coverage if producers approved.[238]

The number of personnel in the Agricultural Marketing Service dropped after establishment of the Economic Research Service. On November 30, 1960 there were about 9,103 employees, with 2,087 in Washington, D.C. and 1,437 part-time. A year later this had decreased to 7,652 full time people and 1,311 part-time and intermittent. By 1968, estimates placed employment back up to 8,604.

As a result of services performed under fees or charges, in fiscal year 1964, 40-45 percent of yearend employment and total administration and operating budget expenses were funded. And some looked for other programs such as meat inspection that might be added to the list. Nonetheless charges for licensing, voluntary inspection, etc. continued to fund part of AMS activities.[239]

Another new area of work for AMS was the utilization of agricultural abundance for a pilot food stamp program in McDowell County, West Virginia in 1961, patterned after the earlier program.

Oris V. Wells, who had been Chief of the Bureau of Agricultural Economics from 1946-1953 and Administrator of AMS 1953-1961 retired on May 31, 1961. He was succeeded by S. R. Newell who had been Director of the Fruit and Vegetable Division of

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[238] Vivian Wiser and Douglas Bowers, Marketing Research and Its Coordination in USDA, pp. 78-80.

[239] U.S. Congress House Committee in Appropriations, Hearings...Agricultural Appropriations, 1965, p.40.

AMS.

After 1961 marketing research in AMS related more to the physical aspects of marketing such as quality, identification, measurement and improvement, and protection from time of harvest to consumption. Attention was given to the development of improved equipment, facilities, work methods, techniques and practices for efficient handling and movement to consumers.

Another transfer of functions placed the Internal Audit Division of AMS in the Office of the Inspector General in December 1962. At about the same time marketing agreements and order functions, including those for tobacco and milk were transferred back from the Agricultural Stabilization and Conservation Services to AMS.

A further diminution of AMS activities occurred when responsibility for program development evaluation and review for donations of commodities for foreign distribution was transferred in October 1963 to the Foreign Agricultural Service. Responsibility for procurement, reprocessing, packaging and delivery of these commodities were transferred from the Agricultural Marketing Service to the Agricultural Stabilization and Conservation Service.

There was considerable dissatisfaction expressed by members of the House Appropriations Committee about the Department cutting research in transportation and warehousing that they charged was in effect repealing the Research and Marketing Act of 1946. Soon it was announced that functions of the Market Quality Research Section and of the Transportation and Facilities Research Division were more related to the utilization and farm research conducted by the Agricultural Research Service. Therefore, they were transferred to that agency on July 1, 1964.[240]

On December 31, 1964 the Secretary proposed a reorganization of consumer, marketing, regulatory and food distribution services to strenghthen their consumer orientation. The Secretary transferred meat inspection work from the Agricultural Research Service and warehouse examination work from the Agricultural Stabilization and Conservation Service. The reorganized agency was redesignated the Consumer and Marketing Service on February 8, 1965. The agency continued its commodity divisions with their branches for market news, inspection, and standardization. Other divisions for meat inspection, packers and stockyards, and transportation and warehousing. These were under the direction of four deputy administrators for consumer protection, consumer food programs, marketing services, and regulatory programs.[241]

Marketing Legislation

Legislation administered by the Agricultural Marketing Service has had complicated origins broadening and then at times narrowing the scope of AMS as functions were transferred in or out of the marketing agency. Some legislation was to insure fair trading

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[240] U.S. Congress, House Committee on Appropriations, Hearings...Appropriations, U.S. Department of Agriculture, 1965, pp. 167-169.

[241] W. D. Rasmussen et al, "The Department of Agriculture," chapter 5, pp. 11-14.

practices, some protected consumers.

The potential for regulatory activities was extended when on September 28, 1962 (P.L. 87-718), the Secretary of Agriculture was authorized to enter into cooperative agreements with State agencies to administer and enforce Federal laws and regulations relating to agricultural marketing. Such agreements became especially common after the 1967 and 1968 passage of the Wholesome Meat and Poultry Acts with their provisions directed to improving Federal and State inspection systems.

Meat Inspection

The Meat Inspection Act had been originally enacted in 1890 and broadened by the Act of 1906. For many years it had been administered by the Bureau of Animal Industry, various wartime agencies, the Production and Marketing Administration, the Agricultural Research Service and in February, 1965, it was transferred to the Consumer and Marketing Service. It continued its separate existence apart from the poultry inspection system. Generally the meat inspection was conducted in urban areas and poultry in the country. Moreover, the increase in the amount of convenience food expanded the system. The inspection program was finally updated when the Wholesome Meat Act was approved by President Johnson on December 15, 1967 with Upton Sinclair, who had agitated for the 1906 Act, watching. This brought together provisions for an integrated Federal and State program.[242]

Poultry Inspection

The poultry inspection program had grown with the industry. Begun in 1926 as a voluntary program for a relatively small industry, it had become a mandatory program under the Poultry Products Inspection Act of August 28, 1957. It was further expanded under the Wholesome Poultry Act of August 18, 1968. This provided for Federal-State cooperation and for "at least equal to" inspection for plants involved in interstate commerce. The administration of the act continued under the Poultry Division of the Agricultural Marketing or Consumer and Marketing Services. In 1968 the meat and poultry systems were merged. Also on August 18th of that year the Wholesome Poultry Act was approved, establishing for poultry a somewhat parallel system enacted for meat in the Wholesome Meat Act of the previous year. Great changes had been made in the production of chickens and turkeys after 1958; per capita consumption was 34.4 pounds and by 1968 this had increased. All of this had its impact on the inspection program within USDA. Expanding poultry production in the early 60's placed strains on AMS inspection applications for approval of 30 more plants.[243]

Packers and Stockyards Act

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[242] Vivian Wiser, et al, 100 Years of Animal Health, 1986, pp. 183-187.

[243] U.S. Congress, House Committee on Appropriations, Hearings...Agricultural Appropriations 1963, p. 1332, Vivian Wiser, et al, 100 Years of Animal Health, 1986, pp. 192-193.

The initial act was approved August 15, 1921 to regulate practices of meat packers and public stockyards. It was administered by the Packers and Stockyards Administration until 1927, by the Bureau of Animal Industry until 1939, by the Agricultural Marketing Service and its successors until AMS was reestablished in 1953. In 1967 the Administration was reestablished, only to lose its identity a decade later and then regain it in 1981.

The original act had been amended to encourage fair marketing practices in handling livestock, meat, and poultry as well as poultry and meat products by stockyards, meat packers, livestock Commission firms, and poultry dealers and processors. This accomplished by investigation of complaints and violations of the Act. In line with this the definition of stockyards was expanded on July 31, 1968, and new provisions for registration were given and for services without discrimination.[244]

AMS continued to administer a number of other older acts. The Warehouse Act, originally enacted on 1916, sought to protect producers and others storing goods and facilitate credit needed to maintain large stocks of stored products. As operations increased, the workload was financed by larger appropriations. Similarly AMS administered the Grain Standards Act of 1916, the Perishable Agricultural Commodities Act of 1930, and various inspection, grading and classing activities covering a broad scope of products.[245] Acts administered, along with their original dates of passage, include:

The Agricultural Marketing Agreement Act of 1937
Agricultural Fair Practices Act, 1967
Beef Promotion and Research Act, 1985
Cotton Research and Promotion Act, 1966
Export Apple and Pear Act, 1933
Federal Seed Act, 1939
Naval Stores Act, 1923
Produce Agency Act, 1927
Section 32 of the Amendment to the Agricultural Adjustment Act, 1938
U.S. Cotton Standards Act, 1923
Wool Standards Act, 1928[246]

Food Marketing Commission

President Lyndon B. Johnson signed legislation establishing the National Commission on Food Marketing on July 3, 1964. It consisted of five senators, five members of the House of Representatives, and five public members. It was to study the marketing structure of the food industry. The Commission held public and executive hearings and formal interviews with representatives from firms, trade associations, farmer cooperatives and individuals and collected data from industry and government agencies. Both S. R.

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[244] Public Law 90-446; Claudia White, Packers and Stockyards Administration, copy in Agricultural History files.

[245] i.e. U.S. Congress, House Hearings...Agriculture Appropriation, 1964, pp. 1339-1342.

[246] Agricultural Marketing Service. This is USDA's Agricultural Marketing Service, 1986, pp. 24-28.

Smith, Administrator of Consumer Marketing Services, and George Mehren, Assistant Secretary for Marketing and Consumer Services, were supporters of the legislation and the commission.

The Commission concluded that, in view of the concentration in some segments of the industry, regulatory agencies should be given more jurisdiction over changes in organizational structure. The commission believed that a major realignment was needed in regulatory responsibilities for food products. Consumers should be provided with information that would give them the most satisfaction. Farmers also needed to take group action through cooperatives, marketing agreements and orders, and agricultural marketing boards. USDA should be authorized to develop reports on market prices; product movement, prospect supplies of perishable farm products, and explore reporting on forward prices. Federal and state regulations needed to be made more uniform.

Six of the members of the Commission submitted separate statements stating their views of the study. Subsequently, ten technical reports were published. The report received wide circulation and evoked much discussion.[247]

Service Activities

Market news remained an important feature of marketing work in USDA with reports on cotton and cottonseed; fruits and vegetables; grain and related products; livestock, meat and wool; naval stores; and tobacco. The information was distributed by mail, the press, radio, telephone, telegraph, television, and bulletins and publications of boards of trade, and the farm press. Increased Federal and State appropriations made this coverage possible. Then in 1963 another facet was added to permit direct hook-up to the Federal-State Market News teletypewriter network. Another innovation was the use of micronaire readings that measure fineness of fiber in addition to staple length and grade.

Matching Funds Programs

The Department partially financed and approved projects of the State Departments of Agriculture relating to marketing problems. During fiscal year 19968 the Consumer and Marketing Service contributed $1,750,000 to support States in planning and implementing 171 marketing projects. Under this program Federal funds are matched by the States for cooperative programs to improve product quality and marketing efficiency.[248]

Marketing in USDA

The various commodity divisions continued research in marketing in their respective segments and implementing the applicable laws. Moreover, the Department had long sought to serve both the farmer and the consumer by helping to cut marketing costs, insuring the availability of quality food, and fair marketing practices for the consumer, and

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[247] Food from Farmer to Consumer, Report of the National Commission on Food Marketing, June 1966; Washington Post, June 28, 1966.

[248] Rasmussen, et al. The Department of Agriculture During the Johnson Administration, Chapter 5, p. 24.

for the farmer. Moreover, the producer is provided with news that helps him market his crops and livestock.

Primary concern in this section has been with the programs administered by the Agricultural Marketing Service. Programs, such as the food distribution, grain inspection, futures trading, etc. that were part of AMS but have been transferred to other agencies are discussed elsewher

11. Rural Development

During the eight-year tenure of Orville L. Freeman, the United States Department of Agriculture broadened the scope of its concerns to include not only the problems of farmers but also the well-being of all rural Americans whose economic and social status had failed to keep pace with the general post-war prosperity experienced by their fellow citizens. Technological advances in farming accelerated the continuing depopulation of not only the farmstead but the countryside as a whole when masses of rural people emigrated to the cities seeking more promising opportunities. By 1950, only 36 percent of Americans continued to live in rural areas; by 1960, only 30 percent did so. The proportion of farmers in the rural population declined even more rapidly, dropping from 43 percent in 1950 to 25 percent ten years later.[249] Rural outmigration often left a dispirited, underemployed residual population living in scattered, relatively isolated communities too small and too poor to furnish the expected measure of services in government, housing, medical care, and education to induce enterprising residents to stay or attract new businesses to locate.

With the active encouragement of Presidents Kennedy and Johnson and congressmen sensitive to the plight of rural areas, Secretary Freeman was in the forefront of the movement to focus the nation's attention on the need for revitalizing the countryside. Although these efforts fell short in convincing lawmakers to implement a unified program of massive assistance under USDA auspices to check rural flight and rebuild the rural economy, they did add rural development to the national policy agenda and provide relief and rehabilitation in a number of problem areas.

Given the lack of consensus on what form rural development assistance from the Federal government should take and the paucity of Federal dollars for rural-oriented social programs in an era of rapidly escalating expenditures for the war in Southeast Asia, the programs undertaken in the 1960s perhaps inevitably were fragmentary and limited in scope. Congress proved unwilling to fund novel rural development programs much beyond the pilot-project phase because no powerful interest group emerged to demand such an effort and because the major farmer and commodity groups which supported the USDA were leery of shifting the Department's focus far beyond its traditional responsibilities to commercial agriculture. What progress was made, therefore, came in increments with old-line USDA agencies given expanded authority to make a wider variety of grants and loans to help family farms remain viable, to aid rural residents in finding alternative uses for

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[249] U.S. Bureau of the Census, Historical Statistics of the United States: Colonial Times to 1970 (Washington: Bureau of the Census, 1976).

natural resources, to assist rural areas in providing better housing, and to allow small communities to furnish more adequate sanitation, education, and health services. The majority of funds made available for these efforts came from legislation which included rural provisions within an overall program directed at alleviating urban ills.[250]

The Eisenhower Legacy

By relying upon the traditional agencies within the USDA to expand their efforts in stimulating local groups of concerned citizens to undertake projects to reanimate their communities, the rural development programs of the 1960s built upon ideas pioneered during the second administration of Dwight D. Eisenhower. The 1955 release of the USDA-authored Human Resources led in the same year to a loosely coordinated Rural Development Program based upon the report's suggestions. The Department should not only encourage more efficient commercial agriculture, the study concluded, it also should promote local, voluntary action to ease inefficient farmers into non-farm employment by providing expanded farm credit, research on income enhancement, and off-farm job training and relocation assistance.

Supervision of the program was invested in the office of the USDA Under Secretary who gathered together a small staff to oversee the effort which included using the Extension Service to encourage formation of State and local Rural Development Committees of on-site Federal representatives and local civic leaders; broadening Farmers Home Administration loan authority to include part-time farmers; giving the Soil Conservation Service the duty to provide technical assistance to non-farm development projects; and focusing Agricultural Research Service and Agricultural Marketing Service attention on special problems of commodity production and distribution in underdeveloped areas. Directed toward 50 pilot counties in 19 States at the outset, the USDA program involved 262 counties in 30 States and Puerto Rico by the fall of 1960. While the USDA led the rural development program, the Departments of Interior, Commerce, Labor, and Health, Education, and Welfare accelerated their own activities in non-metropolitan areas, prompting Eisenhower to create an interagency Committee for Rural Development to coordinate efforts in October of 1959.[251]

Secretary Freeman and Rural Areas Development

Under the leadership of Orville Freeman as Secretary of Agriculture, the Rural Development Program of the Eisenhower presidency became the Rural Areas Development Program of the Kennedy-Johnson presidencies. The change in name denoted more than a change in administrations. Freeman shared the Kennedy-Johnson philosophy

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[250] Steven Crane, "Rural Depopulation and the Political Process of Federal Rural Development: 1950-1972," (Ph.D. dissertation, University of Iowa, 1975), pp. 71-74.

[251] Wayne D. Rasmussen, "90 Years of Rural Development Programs," Rural Development Perspectives 2(October 1985): 3; USDA, Report of the Secretary of Agriculture: 1959 (Washington: USDA, 1960), pp. 31-35.

that the Federal government should be the leader in eliminating poverty through public programs and in fostering equality of opportunity for all Americans. Consistent with his belief that the USDA had to go beyond its traditional concern for the farmers' prosperity to a new focus on improving social and economic conditions in rural America, Freeman's concept of rural areas development meant more than helping marginal farmers survive and easing the transition of displaced farmers into non-agricultural occupations. While both these groups remained important targets of assistance programs in the 1960s, rural areas development was more broadly conceived as a means of revitalizing rural communities so that they might better provide attractive economic opportunities and public social services to slow the pace of rural-to-urban migration.

Over the course of the 1960s, Freeman justified the need for rural areas development upon an ever broadening base. Initially the effort was called for to attack rural underemployment so that pockets of rural poverty could be eliminated. By mid-decade, economic revivification was only half the goal; restoring the social and cultural attractiveness of the countryside was added as an explicit objective. Tying these needs to the wider concept of a more just and prosperous society for all Americans, Freeman pushed rural areas development near the end of his tenure as a way to overcome the long-standing rural-urban imbalance which had left the countryside distressingly depopulated and the cities explosively crowded.[252]

Area Redevelopment Act of 1961

President Kennedy's initial message on agriculture called for passage of a depressed-areas bill as a means to help attack the problems of low-income rural residents. Two earlier versions of legislation to extend grants and loans to depressed areas for water, sewage, and road improvements, job retraining programs, and to attract business investments had passed Congress in the 1950s only to be vetoed by the Republican president. Fulfilling his campaign pledge, Kennedy signed a newly passed version in May of 1961 as the Area Redevelopment Act.[253]

While the Area Redevelopment Act was broadly drawn to assist economically disadvantaged areas, eligibility standards for participation effectively reserved Federal funds to small cities and even smaller communities in predominantly rural areas. Furthermore, one-half of the $200 million authorized for areas of chronic unemployment was reserved specifically for rural applicants. At Kennedy's insistence the Department of Commerce was given supervision of the Act, which created an Area Redevelopment Administration within that department to designate eligible "redevelopment areas" and approve projects based on the submission of local economic development program plans. While Secretary Freeman had urged the President to place the USDA in charge of at least those dollars reserved

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[252] USDA, Report of the Secretary: 1962, pp. 3-4; USDA, Report of the Secretary: 1964, p. 36; USDA, Report of the Secretary: 1967, p. 37.

[253] Crane, "Rural Depopulation," pp. 112-17; Area Redevelopment Act, 75 Stat. 47 (1961).

entirely to rural areas, Kennedy demurred so that Agriculture was limited to an advisory capacity both in Washington and in the field. Reversing the Commerce Department's position of opposing the inclusion of rural redevelopment provisions in earlier versions of the bill, Kennedy's Secretary of Commerce accepted the 1961 Act and pledged his Department to involve Agriculture in its implementation. After some delay, the Commerce Secretary delegated a variety of responsibilities to the USDA, including those of recommending suitably impoverished rural areas and reviewing project plans. While the Area Redevelopment Administration retained final approval authority, it exercised the responsibility liberally, accepting USDA recommendations even when areas did not always fully comply with the Act's eligibility strictures.[254]

Rural Areas Development Program Begun

Freeman redelegated the Commerce-granted authority under the 1961 Area Redevelopment Act to the USDA's various line agencies which were already engaged in the stepped-up rural areas development program launched soon after the Secretary took office. In March, John A. Baker as Director of Agricultural Credit was charged to coordinate an accelerated effort to revitalize the countryside. A Rural Areas Development Board was named concurrently to involve eleven USDA agencies in policy formulation.[255]

An Office of Rural Areas Development (ORAD) was created to function as a staff for the Board in June, consisting of a Director and five "field representatives" who were headquartered in Washington, D.C. Almon Turley Mace, formerly with the Farmers Home Administration and the Commodity Stabilization Service, became the ORAD Director. As the rural areas development program subsequently expanded, so did ORAD's responsibilities. Initially operating as a liaison between the Commerce Department and those USDA agencies that furnished advice to its Area Redevelopment Administration, the Office grew to become a clearinghouse for information on USDA and other Federal assistance programs available to the rural needy. Staffed with twenty-six professionals, many of whom were paid out of Area Redevelopment Administration funds, ORAD had outstanding success in organizing local rural groups to petition for grants. As a result, the legislative guarantee of a 50 percent share of grant funds, included to ensure that rural applications for help were not discriminated against, instead operated as a cap on aid.[256]

As it had been in the more restricted rural development program begun under

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[254] Crane, "Rural Depopulation," pp. 116, 126-27; U.S. Congress, House Committee on Appropriations, Department of Agriculture Appropriations for 1964: Hearings (88th Cong., 1st sess., February-March 1963), pt. 4, pp. 2665-68; U.S. Congress, Senate Subcommittee on Banking and Currency, Area Redevelopment--1961: Hearings (87th Cong., 1st sess., January-February 1961), pp. 650-51.

[255] Secretary's Memo. No. 1448, March 21, 1961.

[256] Secretary's Memo. No. 1448, Revised, June 16, 1961; Memorandum from James L. Sunquist to Secretary Freeman, September 4, 1964.

Eisenhower, local initiative was the cornerstone of the rural areas development program launched under Kennedy. The Federal Extension Service, thus, remained important as a force in the field. County agents increased their efforts to bring together local community leaders to serve with Federal fieldmen on State and local Rural Areas Development Committees. These, with some organizational adjustments, incorporated the existing Rural Development Committees so that by February 1962, 43 States and 1,012 counties had functioning local citizens groups. Extension agents also furnished technical advice in implementing the educational component in redevelopment efforts.[257]

The Farmers Home Administration (FmHA), which also had an extensive system of field offices, took on a greatly expanded role in the rural areas development program. So much of the accelerated effort revolved around new or extended Federal loan authorities that the FmHA was a logical choice to lead because of its long history of making credit available to farmers in rural areas. Thus, the USDA's responsibilities in the new program of grants and loans for the building of public community facilities authorized by the Area Redevelopment Act of 1961 were delegated to the FmHA. Additionally, Title III of the Agricultural Act of the same year consolidated and expanded existing loan programs, giving the FmHA more flexibility in assisting a broader range of credit-risky farmers to make land purchases and gather working capital as well as to help rural communities improve water facilities. A new Housing Act in 1961 extended FmHA housing loan assistance for the first time to non-farm rural dwellers and providers of low-cost housing for domestic farm laborers.[258] Recognizing the leadership role that such legislation conferred on the agency, Secretary Freeman also charged the FmHA with the task of forming a system of Technical Action Panels at the State and district (multi-county) levels. These groups convened USDA agencies' representatives in the field and local government officials together to serve as resource boards upon which local groups could draw in planning development projects. By the end of 1961, 151 "TAPs" were operating and the number grew to include close to 3,000 in early 1964.[259]

The Rural Electrification Administration (REA) took a prominent role in the program as well, establishing its own Rural Areas Development Staff to help local REA clients who sought to attract industry to their areas. By allowing the REA to make loans to help consumers purchase industrial, commercial, and agricultural machinery, the Area Redevelopment Act encouraged their efforts.[260]

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[257] U.S. Congress, House Committee on Appropriations, Department of Agriculture Appropriations for 1963: Hearings (87th Cong., 2d sess., February 1962), pt. 2, p. 1059.

[258] USDA, Report of the Secretary: 1961, p. 73; Congressional Quarterly Service, Congress and the Nation: 1945-64, pp. 748-49.

[259] USDA, Report of the Secretary: 1968, pp. 64-65.

[260] USDA, Report of the Secretary: 1961, p. 75; U.S. Congress, House Committee on Appropriations, Department of Agriculture Appropriations for 1965: Hearings (88th Cong., 2d sess., February-March 1964), pt. 4, p. 350.

Rural Renewal and the Farm Bill of 1962

In January of 1962, President Kennedy's message to Congress on agriculture unveiled his "ABCD" program -- Abundance, Balance, Conservation, Development. To achieve the last two goals he asked for the wherewithal to initiate a program of "rural renewal" commensurate with the on-going urban renewal effort. As envisioned by the President the program would encourage new uses for croplands, thus attacking the problem of commodity surpluses while promoting conservation and recreation activities; discover new income sources for those on the margins of successful commercial agriculture; and improve rural community services and facilities to make the countryside more attractive to residents and to business investment.[261] Secretary Freeman echoed the President's proposals in his testimony before the House budget committee in February when he called for Federal matching funds to local development authorities with the power to acquire and dispose of property as a way to stimulate economic activity in rural areas just as it was available in urban areas. What was needed, in Freeman's opinion, were local groups with the authority to regroup resources in order to attract industry and develop recreational ares.[262]

While Congress considered these proposals Freeman reiterated his commitment to the goal of rural renewal by restructuring the Department. The small Agricultural Credit group was disbanded in favor of a larger Rural Development and Conservation group in July of 1962. ORAD, FmHA, and REA continued to operate together in the new group, to which were added the Farmer Cooperative Service, Forest Service, and Soil Conservation Service. John A. Baker, former Director of Agricultural Credit, headed the new configuration first as Director then as Assistant Secretary beginning in August.[263]

With the major agencies responsible for rural areas development joined under a supervisor in the highest level of USDA administration, the Department was poised to implement new legislation passed by Congress in September. The Food and Agriculture Act of 1962 authorized new programs to get the rural renewal effort underway. Among the provisions of the Act was one which initiated a program of Resource Conservation and Development Projects whereby the USDA could help local groups plan and implement activities which better exploited natural resources to stimulate economic development and enhance recreational values. Flood prevention, park development, scenic beautification, and cropland conversion projects were launched by local governmental units with the technical and financial encouragement of the Soil Conservation Service which was given direction of the program. Beginning with ten such projects in 1964, the number of projects

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[261] John F. Kennedy, "President's Message on Agriculture to the Congress of the United States, January 30, 1962."

[262] House Committee on Appropriations, USDA Budget Hearings: 1963, pt. 1, pp. 6-8.

[263] Secretary's Memo. No. 1507, July 10, 1962 and No. 1510, August 6, 1962.

grew to fifty-one by the end of 1968.[264]

Rural Renewal Loans were also legislated, authorizing USDA credit and technical assistance to aid rural communities in depressed areas economically dependent upon agriculture to plan, develop, and carry out a variety of projects to revitalize their economies and exploit their natural resources. Local public agencies were eligible for the loans which could be used to purchase small tracts of land for consolidation and resale as either "family farms" or for non-farm uses; to improve water and sanitation facilities; and to implement reforestation projects. FmHA was assigned responsibility for the program which was first funded in 1964. By 1967, only two States had implemented legislation which empowered public planning bodies to acquire, develop, and resell land so the program got off to a slow start. Congress tried to remedy the situation in that year, authorizing private nonprofit corporations to accept Federal loans. But by that time, budget constraints limited available money. Thus, the program never grew beyond a five-State area.[265]

FmHA authority to offer credit to a wider selection of rural economic enterprises was also expanded as a result of the Food and Agriculture Act. Individual farmers thenceforth could secure loans for fish-farming operations and for the development of camping areas, hunting preserves, fish ponds, and even golf courses. Similarly, non-profit rural associations became eligible for financial assistance to convert cropland to recreational use. Spurred on by this series of provisions aimed at conserving and exploiting natural resource opportunities as an alternative income source to farming, the USDA adopted recreation resource development as a major addendum to the rural areas development agenda.[266]

Rural Areas Development and the War on Poverty

Making his maiden State of the Union address to Congress on January 8, 1964, Lyndon Johnson called on the nation to mobilize for a "War on Poverty." While the most visible victims of poverty were to be found in America's deteriorating major cities, nearly one-half the nation's poor resided in rural areas. Especially disadvantaged were those in farm communities where the proportion of substandard housing was treble that found in the rest of the United States. Citing these figures in his late-January message on agriculture, President Johnson asked for legislation to "accelerate the development and

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[264] USDA, Report of the Secretary: 1965, p. 56; USDA, Report of the Secretary: 1968, p. 86; Secretary's Memo. No. 1515, November 2, 1962.

[265] House Committee on Appropriations, USDA Budget Hearings: 1964, pt. 1, pp. 5-7, 57; Secretary's Memo. No. 1517, November 2, 1962; USDA, Report of the Secretary: 1968, pp. 64-65; James Sundquist and David Davis, Making Federalism Work: A Study of Program Coordination at the Community Level (Washington: Brookings Institution, 1969), pp. 139-40.

[266] Secretary's Memo. No. 1516, November 2, 1962; USDA, Report of the Secretary: 1962, pp. 42-43.

conservation of both material and human resources in rural America."[267]

Over the course of the Johnson Administration, Congress fulfilled many of the specific program requests of the President usually by attaching rural-oriented provisions to general legislation to improve the lot of the poverty stricken. Urban misery continued to absorb the primary attention of the public and its representatives in Washington, although Secretary Freeman strove mightily to keep rural areas development high on the political agenda. Repeated attempts to impose more effective planning upon the process ultimately failed, however, as Johnson was forced to scale back budget requests in the face of rising defense expenditures.

Congress was hesitant to authorize and fund more extensive approaches to rural development as well since the effort lacked a powerful, articulate constituency. The national farm groups were split over most Federal aid proposals: the American Farm Bureau Federation generally opposed any new programs while the National Farmers Union favored any assistance that would preserve the "family farm." The National Grange was somewhere in between, favoring the concept of rural revitalization but often leery of expanding Federal power. That same fear of appearing to sanction further direction of local activities from Washington made legislators with rural constituencies cautious while urban congressmen were normally oblivious to rural concerns.[268]

As a result the rural areas development program of the USDA continued to operate along the same paths as it had under Kennedy. Local initiative remained the motivating force while the traditional line agencies of the Department were given incrementally larger budgets and authority to furnish the technical expertise and credit resources necessary to improve economic and social conditions. That approach had yielded some impressive results during the Kennedy years. Nearly 5,000 rural areas development projects were completed between 1961 and February of 1964. Their effects were wide ranging. A watershed project in Lewisburg, Kentucky created a 900-acre lake which furnished the community with a reliable water system, a recreational facility, and a more attractive business climate. Apple growers in Martinsburg, Pennsylvania used a combination of loans to form a packing and marketing cooperative that employed forty-five people directly and created an outlet for the produce of area fruit growers. Three Goshen, California farm laborer families built new homes for themselves with the aid of Federal financing. A small farmer in Damon, Texas capitalized on an operating loan and technical assistance to diversify his activities and improve yields for his cotton, corn, and sorghum crops. By 1964,

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[267] White House Press Release, January 31, 1964.

[268] "LBJ History," pp. 548-49, 629-30; U.S. Congress, Senate Committee on Agriculture and Forestry, Food and Agriculture Act of 1962: Hearings (87th Cong., 2d sess., February 1962), pp. 270, 335, 446-47; House Committee on Education and Labor, Economic Opportunity Act of 1964: Hearings (88th Cong., 2d sess., April 1964), pt. 1, pp. 548-82 and pt. 2, pp. 1014-17.

more than 2,000 county-wide Rural Areas Development Committees involving some 66,000 community leaders were in operation. USDA-led Technical Action Panels served a total of 2,785 counties.[269] With this established infrastructure in the field, a recently created (October 1963)[270] interdepartmental Rural Development Committee in Washington, and an increasingly active Office of Rural Areas Development within the USDA, the program seemed poised for success.

Economic Opportunity Act of 1964

Johnson was given a major weapon for his War on Poverty with the passage of the wide-ranging Economic Opportunity Act in August 1964. The Act created an Office of Economic Opportunity (OEO) within the Executive Branch which administered ten separate programs aimed at eliminating the causes as well as the symptoms of poverty. While nearly every section had some relevance to rural areas development, Title III was called, appropriately, Special Programs to Combat Rural Poverty. Under Title III, the OEO was to act as a lender of last resort for rural families who needed money to make economic adjustments which would permanently increase their earning capacities. Credit was available, for instance, to make land purchases, improve family farm operations, allow participation in cooperative endeavors, and finance non-agricultural business enterprises. Local cooperatives which served low-income rural families were eligible for another category of loans for similar purposes. Title III also promised loans and grants to local groups to improve housing, sanitation, education, and child care services for migrant farm workers.

Titles I and II of the 1964 poverty law also included potentially important programs for rural areas. Title I created a Job Corps which enrolled school dropouts in community service projects; 40 percent of the participants were to serve in a Youth Conservation Corps to carry out resource conservation, beautification, and development projects in national forests and the countryside. More ambitious were the Community Action Programs authorized in Title II. Federal money was made available to States according to their needs for job training, health, housing, and welfare assistance. The States would distribute their shares of the Community Action Program grants on the basis of plans for projects submitted by local public or non-profit private groups. Urban and rural projects were to be funded equally.[271]

Inevitably, jurisdictional disputes characterized implementation of the rural areas

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[269] Rural Areas Development Newsletter, May 1964; House Committee on Appropriations, USDA Budget Hearings: 1965, pt. 4, p. 346; USDA, Reports of the Secretary of Agriculture; 1963, pp. 6, 10 and 1964, p. 41.

[270] President's Executive Order 11122, October 16, 1963.

[271] Congressional Quarterly Service, Congress and the Nation: 1945-64, pp. 1326-29; Public Law 88-452, August 1964.

components of the Economic Opportunity Act. While the Director of the OEO delegated responsibility for the Title III programs to the Department of Agriculture, the absence of a staff with rural backgrounds and interests within the new poverty agency limited the effectiveness of other provisions of the Act. Eligibility requirements for OEO grants required that farmers have lower incomes than others to qualify for assistance which, in the opinion of USDA rural development specialists, encouraged farmers to leave the land. Rural areas generally received a disproportionately small share of help, too: only 27 percent of OEO grants went to rural areas in 1968 although 46 percent of the nation's poor was located outside urban centers.

Nor did the OEO take full advantage of the professional expertise to be found in the USDA, failing to take on enough Department specialists to satisfy Secretary Freeman or to forward adequate operating funds to the USDA's rural areas development coordinating agency. So reluctant was OEO to part with funds to support the rural component of the anti-poverty effort in 1965, for example, that sixteen Senators signed a letter urging the Vice President to use his authority as Chairman of the President's Council on Economic Opportunity to force OEO to release money to the USDA. At the same time as it was denying the USDA adequate funds to staff the cooperative effort, OEO was granting money to at least two States so that they could employ their own local "war on poverty" field forces.[272]

In this atmosphere of mistrust, those programs which required interagency cooperation started slowly. As of February 1965, for example, only one-third of the grants approved under the Community Action Program went to rural applicants. The Job Corps program was more troubled still. The rural camps that offered a combination of manual labor and remedial education to disadvantaged youths were plagued by disciplinary problems, antagonism between enrollees and neighboring residents, and high dropout rates. Complicating matters was a memorandum of understanding concluded in January of 1965 between the OEO and the Department's Forest Service which failed to clarify respective responsibilities. Not until May of 1967 was the matter settled by a renegotiated agreement.[273]

The operation of the Title III program, directed entirely by the Farmers Home Administration, was less problematic. In 1965, the first year of the program, 18,000 "economic opportunity" loans were made to individuals with another 261 extended to cooperative associations. All were designed to help rural families permanently improve

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[272] "LBJ History," 662-664; Rural Areas Development Newsletter, January-February 1965; J. A. Baker, USDA Assistant Secretary, to James D. Templeton, Assistant Director Office of Economic Opportunity, June 20, 1968; Office of Senator Gaylord Nelson, Press Release, September 14, 1965; Memorandum from R. G. Lewis, RCDS Administrator, to Secretary Freeman, August 27, 1965.

[273] "LBJ History," pp. 664, 754, 761; Congressional Quarterly Service, Congress and the Nation, Volume II, 1965-1968: A Review of Government and Politics During the Johnson Years (Washington: CQ, 1969), p. 748.

their earning abilities. The FmHA was also able to make further strides in improving the living conditions of rural families by the terms of the Housing Act of 1964. By extending the operation of the Senior Citizens Housing Act of 1962, the new legislation continued the agency's authority to make building loans to non-profit corporations providing moderate-cost rental housing to the growing elderly rural population. The 1964 law also initiated new grants to State and local governments and to non-profit groups to aid in the construction of low-rent housing for domestic farm laborers.[274]

Rural Community Development Service Created

In November of 1964, President Johnson restated the case for the USDA's role in rural areas development, describing the goal of the program as that of guaranteeing "parity of opportunity for rural America in every aspect of our national life."[275] While he resisted Secretary Freeman's suggestion to rename the USDA the "Department of Food, Agriculture, and Rural Affairs," Johnson reiterated his commitment to USDA leadership in the effort in a February 4, 1965 message to Congress on agriculture. Therein, he confirmed the "parity of opportunity" goal for the program and announced a restructuring of the Department's rural areas development coordinating agency in order to better meet the objective.

By the end of the month a new Rural Community Development Service (RCDS) replaced the Office of Rural Areas Development. Operating like its predecessor under the Assistant Secretary for Rural Development and Conservation, the RCDS was to coordinate intra-USDA programs and enhance inter-departmental cooperation so that the full range of both public and private assistance programs was readily available to rural people. ORAD's Director Turley Mace stayed on in the new agency as the Assistant Administrator. Robert G. Lewis, who had been with the National Farmers Union and a Wisconsin rural electric cooperative organization before coming to the USDA in 1961, became the new RCDS Administrator.[276] Whereas ORAD primarily had functioned to keep USDA agencies informed of each others' rural development-related work and of those activities undertaken by other Federal units, the RCDS was to operate as a one-stop information and action agency that rural residents could contact to get public and private assistance in their revitalization projects. The RCDS, in effect, was to fill the "gap of opportunity" so that rural areas could take full advantage of available Federal programs. Such an expanded effort required a system of field offices across the nation far beyond the three isolated agents in place when the RCDS superceded the ORAD. Congress was unwilling to comply with an Administration request for more operating funds in the 1966 budget, which wanted

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[274] USDA, Report of the Secretary: 1965, p. 46; Public Law 88-560, September 1964.

[275] Quoted by Secretary Freeman in USDA, Press Release 4013-64, November 24, 1964.

[276] Secretary's Memo No. 1570, February 24, 1965; USDA, Press Release #627-65, February 26, 1965.

enough funds for twenty additional offices.[277] The need for a single agency to keep target groups and the government bureaus that served them informed of available programs was increased by the passage of a series of laws in 1965 with implications for rural areas development. In March, an Appalachian Regional Development Act was signed to initiate programs aimed towards overcoming the relative geographical isolation of that largely rural, poverty-ridden region. Towards that end, the Secretary of Agriculture was to lend technical assistance and grant funds to the area's farmers to enhance erosion control and land, timber, and water resources development. President Johnson named a Federal Development Committee for Appalachia to make policy recommendations while Freeman convened a USDA counterpart chaired by the RCDS Administrator.[278]

After the passage of the Public Works and Economic Development Act in August of 1965, the USDA Committee for Appalachian Development was superceded by an advisory group with a larger mission. The new law replaced the expired Area Redevelopment Act of 1961 by creating an Economic Development Administration (EDA) within the Commerce Department (superceding the Area Redevelopment Administration) to designate "economic development regions" eligible for the same types of assistance legislated just five months earlier for Appalachia. Federal-State Regional Action Planning Commissions were established by law in each of the five subsequently identified regions. The USDA folded its Appalachian advisory group into a Coordinating Committee for Regional Development Programs to cooperate in the expanded effort to better exploit resources and improve public facilities for rural residents in the Ozarks, New England, Upper Great Lakes, Coastal Plains, and Four Corners Economic Development Regions.[279]

Commerce's new Economic Development Administration was more successful than its predecessor in articulating its mission and administering its grants. Focusing its efforts on revitalizing small- and medium-size economic centers to dam the flow of rural migrants to large cities, the EDA program only occasionally came into conflict with USDA activities concerned more with the open countryside. When clashes did occur, like when the EDA announced grants to Arkansas to develop recreational sites on Forest Service land that had not been donated to the State, they were resolved quickly by administrative

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[277] Robert G. Lewis, "Speech at REA Annual Field Conference, St. Louis, Missouri, June 15, 1965"; "Briefing Notes for Meeting of Secretaries Freeman and Gardner [HEW] on Interdepartmental Coordination" [December 1965]; U.S. Congress, House Committee on Appropriations, Department of Agriculture Appropriations for 1966: Hearings (89th Cong., 1st sess., March-April 1965), pt. 4, pp. 268, 306.

[278] Appalachian Regional Development Act, 79 Stat. 5 (1965); Secretary's Memo. No. 1579, July 8, 1965.

[279] Public Works and Economic Development Act, 79 Stat. 552 (1965); Secretary's Memo. No. 1579, Revised, May 9, 1967.

accommodation.[280]

Congress delivered two additional pieces of legislation in August of 1965 which also strengthened on-going rural areas development efforts. The Community Health Service Extension Amendments provided Federal money to increase health services for migratory farm workers. The Housing and Urban Development Act of 1965, while primarily directed at urban problems, authorized additional credit for rural families to purchase previously occupied dwellings and additional grants to construct affordable housing for domestic farm laborers. Significantly, too, the new housing law redefined "rural" to embrace larger towns, raising the upper population limit to 5,500 people compared to the 2,500-limit decreed before.[281]

Promise and Retrenchment

Having succeeded in convincing Congress to include a rural component in nearly every piece of poverty-program legislation in 1965, Freeman concentrated his energies in the remaining years of the Johnson presidency upon securing a congressional mandate to encourage more unified planning in rural areas development. Frustrated by tightened budgets for domestic programs, increased national focus upon urban ills owing to an upsurge in inner-city riots, and continued congressional hesitancy to expand the Federal bureaucracy, the Secretary was forced to continue the piecemeal approach.

Sharing Freeman's optimism in the busy legislative summer of 1965, President Johnson appointed a Task Force on Agriculture and Rural Life to recommend a program for Congress' consideration beginning with the 1967 fiscal year budget. The Secretary of Agriculture chaired the group and selected experts to meet with representatives from HEW, Labor, OEO, the Housing and Home Finance Agency, and the Bureau of the Budget. Its mission was ambitious: to develop programs which would reverse rural outmigration; improve rural education, job training, and health and welfare services; furnish more credit to non-agricultural businesses; better utilize rural labor in forest development and soil and water conservation activities; and generally enhance the quality of life in rural areas. The Task Force made its report in early October 1965, recommending twelve proposals revolving around two major ideas. To introduce greater planning capabilities in the rural areas development effort, the report urged that "Community Development Districts" be established as local action units to integrate the many Federal-State programs to serve interdependent, multi-county functional communities which had population bases large enough to support adequate public services. Secondly, the report suggested, an "Opportunity Homesteads" program should be initiated to offer long-term loans for real estate purchases, housing and business construction, water systems, insurance premium

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[280] Crane, "Rural Depopulation," pp. 120-27; Memorandum from Henry F. Nicol, RCDS, to Assistant Secretary Baker, July 25, 1966.

[281] Community Health Service Extension Amendments, 79 Stat. 435 (1965); Housing and Urban Development Act, 79 Stat. 451 (1965).

payments, and cooperative participation combined with occupational training and adult education.[282]

The programs recommended by the Task Force were calculated to be so expensive (the Opportunity Homesteads program alone would cost $540 million in grant and loan funds in the first year, for example) that President Johnson ultimately included only the Community Development District proposal in his request for agriculture-related legislation from Congress in 1966. The Senate proved receptive to the idea of encouraging these multi-county planning bodies to coordinate and focus development activities within socioeconomically interdependent communities, but the House did not. Powerful members of that body, including the House Speaker and the chairman of the Agriculture Appropriations Subcommittee, opposed the measure out of a fear that new planning units created at the behest of Washington bureaucrats would diminish the sovereignty of more local governmental units. While groups representing the local governments whose power supposedly was threatened with usurpation overwhelmingly supported the bill (the National Association of Counties and the National League of Cities), House opponents blocked enactment of the Community Development District Bill of 1966.[283]

Even before the planning bill was rejected by the House of Representatives, the rural areas development program of the USDA was dealt a blow from that same quarter. Indeed, the rebuke handed Secretary Freeman by the House Committee on Appropriations in its April 1966 report on the 1967 budget was invoked by opponents when the Community Development District bill was considered. In the April report and in the hearings leading up to it, the Committee explained that although the overall program continued to have its full support, the attempt by the USDA to make the Rural Community Development Service into a supervisory agency complete with its own extensive field staff did not. Congress meant to continue the RCDS as a Washington-located liaison group only, the Committee insisted, so kept its budget and staff limited for that purpose. Yet the Secretary had circumvented the will of Congress by directing other agencies to employ at least thirty-five hand-picked professionals for subsequent detailing to RCDS duty in 1966, then came to Congress for funds to expand the RCDS into forty States in 1967. Piqued by the effrontery, the House, upon the Appropriation Committee's recommendation, froze RCDS funds at the 1966 FY-level and suggested that Freeman use traditional line agencies like the FmHA to carry out rural areas development programs in the field.[284]

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[282] "LBJ History," pp. 668-77.

[283] Ibid., pp. 19, 677; Lyndon B. Johnson, "Rural Life Program: President's Message to Congress, January 25, 1966"; Memorandum from Ken Birkhead to Secretary Freeman, December 9, 1966; Memorandum from Assistant Secretary Baker to Secretary Freeman, January 5, 1967.

[284] "LBJ History," pp. 696-98; U.S. Congress, House Committee on Appropriations, Department of Agriculture Appropriations for 1967: Hearings (89th Cong., 2d sess., February-March 1966), pt. 4, pp. 27-33; House Committee on Appropriations, Department

Chastened by a double defeat in Congress, Secretary Freeman began to restructure the administration of the rural areas development program in the fall of 1966. Evidencing his continued support for the leadership role of the USDA, President Johnson abolished the 1963-created inter-departmental Rural Development Committee in September, investing the policy formulating role solely in the Department of Agriculture. Johnson further directed the USDA to use its extensive field staffs to coordinate Federal rural areas development activities and to serve as initial points of contact for rural residents seeking assistance. In November, Secretary Freeman selected the Farmers Home Administration to lead in this new "outreach" activity because of the predominance of loan programs in the rural areas development effort, the agency's leadership role in the local Technical Action Panels, and its popularity in Congress.[285]

With these changes the RCDS was relegated to a liaison role between the USDA and other Federal agencies. Never growing beyond nine field offices, RCDS never became the one-stop service center for rural residents. Its major contribution was to compile a handbook of available Federal assistance programs for the use of Rural Area Development Committees and Technical Action Panels in the field. In mid-November, Lewis resigned as Administrator to be replaced by Kenneth M. Birkhead, a Missouri native who had served as an advisor to Freeman since the Secretary assumed office. Birkhead's RCDS staff was confined to Washington, D.C. By May of 1967, the RCDS had entirely disbanded its fledgling field force, returning those employees detailed to it back to the agencies which had paid their salaries. All money transferred to RCDS to employ those professionals after July 1, 1966 was reimbursed as well. For the 1968 FY, RCDS asked Congress for only two-thirds the budget support that it had received the previous year.[286]

While Freeman reverted to the traditional incremental approach to extending assistance to rural people and communities that needed Federal help in their revitalization efforts, he did not abandon his efforts to focus the nation's attention on rural areas development. The necessity of restoring "rural-urban balance" was a recurring theme in his 1967 and 1968 pronouncements in which he described the problems of the "space-starved city and the opportunity-starved rural community" as obverse sides of the same coin.[287]

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of Agriculture and Related Agencies Appropriation Bill, 1967: Report (89th Cong., 2d sess., Report No. 1446, April 22, 1966), pp. 11-13.

[285] President's Executive Order 11307, September 30, 1966; USDA, Press Release 3517-66, November 4, 1966.

[286] Des Moines Sunday Register, November 20, 1966; Memorandum from R.G. Lewis, RCDS, to Secretary Freeman, August 19, 1966; U.S. Congress, House Committee on Appropriations, Department of Agriculture and Related Agencies Appropriations for 1968: Hearings (90th Cong., 1st sess., February-May 1967), pt. 3, pp. 258-61, 283-85.

[287] USDA, Press Release 291-67, January 30, 1967; U.S. Congress, House Committee on Appropriations, Department of Agriculture Appropriations for 1969: Hearings (90th Cong., 2d sess., March 1968), pt. 1, p. 331 (quotation).

That connection had long been implied in his justification for programs for rural areas commensurate with those for the cities, but was more clearly articulated after the continuing series of riots in the nation's urban centers threatened to eclipse any public notice of rural ills. He continued, too, to champion the cause of Federal assistance in local and regional planning activities.

His position was strongly endorsed by a report issued in September 1967 by the President's National Advisory Commission on Rural Poverty. A year of study by the group resulted in The People Left Behind, a critical review of the nation's rural-antipoverty activities. Like Freeman, the report's authors found a direct link between the long standing rural exodus and the urban riots of the summer of 1967. And, like Freeman, they urged the formation of multi-county area and regional development districts to promote unified planning as well as federally funded comprehensive planning grants to encourage their efforts.[288]

Unwilling still to subsidize rural planning on the broad scale envisioned in the Community Development District bill, Congress nevertheless did agree to extend new assistance to local, smaller scale activities. A new Housing and Urban Development Act approved in 1968 was the culmination of a series of housing and urban development laws that was one of the major accomplishments of the Johnson presidency. Primarily concerned like its predecessors with urban programs, the Act contained a handful of provisions added at the insistence of the USDA and directed at improving rural living conditions. Not only did it continue to broaden the categories of rural residents eligible for various types of credit assistance, it also authorized new aid for non-metropolitan planning districts and made planning grants available to them. The Departments of Commerce and of Housing and Urban Development were partners with the USDA in administering the grants. Urban areas had been given such grants by the Demonstration Cities and Metropolitan Development Act of 1966, passed in the same session of Congress that had refused to approve the rural planning bill. Significantly, the 1968 provisions were steered through the House Committee on Banking and Currency rather than Agriculture.[289]

Like so much of the legislation passed under President Johnson, the 1968 HUD Act concentrated on housing loan activities, thus further enhancing the FmHA's leadership role in rural areas development. Already the USDA's most ubiquitous direct field force (Extension Service agents were joint Federal, State, and county employees), the FmHA had added rural development specialists in forty States by May of 1967, thus improving its capacity to carry out its outreach responsibilities. The RCDS, now limited to a Washington-based staff, continued to operate as a liaison between USDA agencies and

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[288] President's National Advisory Commission on Rural Poverty, The People Left Behind.

[289] Congressional Quarterly Service, Congress and the Nation, Vol. II: 1965-68, p. 222; Sundquist and Davis, Making Federalism Work, pp. 164-66.

other Federal departments' development programs.[290] Birkhead, the coordinating unit's Administrator since November of 1966, returned to the Secretary's office as an advisor in September of 1967. He was succeeded as RCDS Administrator at that time by Donald Ray Matthews, a former congressman from Florida who had been his predecessor's Deputy Administrator.[291]

Rural Areas Development in Review

In an effort as ambitious and ambiguous as the USDA rural areas development program, measuring success was a difficult task. Nevertheless, Secretary Freeman could claim such success by the end of his tenure, declaring that the "machinery, pieced together over the years as we encountered new needs or discovered wrong directions on the road to rural revitalization, has worked." To support his contention, he noted that the rate of rural outmigration slowed by half between 1960 and 1965 and that employment in rural areas grew at double the pace of the 1950s so that off-farm income among rural families climbed nearly 50 percent.[292]

While improvements in these indicators of rural recovery could not be tied entirely to the Department's activities, the numbers of individuals assisted and projects initiated during the 1960s were impressive. FmHA-administered rural housing improvement loans bettered the living conditions of some 875,000 people between January 1961 and July 1968, 25,000 of them elderly and 19,200 of them domestic farm laborers. Loans to develop recreational resources for additional earnings reached 799 individuals and 752 rural associations over the same period. USDA programs brought over 1.5 million acres of rural land into recreational and wildlife conservation use. Nearly 308,000 of those acres had previously been planted in crops. USDA-supervised water and sewage planning grants went to almost 2,000 counties in the 1960s. By mid-1968, over 3,000 counties had Technical Action Panels; in 1968 FY alone, they helped initiate 1,600 rural industrialization and 6,454 community facilities projects.[293]

Authority to extend these kinds of aid to rural areas was gained incrementally through legislation throughout the 1960s as Freeman consistently, often effectively, lobbied Congress and two Presidents for the tools to expand the USDA's horizons beyond that of serving commercial agriculture. Yet even when Congress extended more authority to the USDA, inter- and intra-departmental rivalry retarded progress in rural areas development. Relegated to a supporting role by much of the general anti-poverty legislation of the 1960s, the

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[290] Secretary's Memo. No. 1610, February 27, 1967; USDA, Press Release 1512-67, May 15, 1967.

[291] USDA, Press Release 3382-68, October 28, 1968.

[292] Orville L. Freeman, "Address to Annual Minnesota State ASCS Conference Banquet, St. Paul, Minnesota, January 9, 1969."

[293] USDA, Report of the Secretary: 1968, pp. 58, 60, 64-65.

Department was forced to constantly renegotiate its position in the overall effort with those agencies within the Administration that were assigned leadership. In consequence, USDA programs often operated parallel to those undertaken by the Area Redevelopment Administration and its successor, the Economic Development Administration; the Office of Economic Opportunity; the Department of Health, Education, and Welfare; and the Department of Housing and Urban Development. Jurisdictional tensions among agencies within the USDA were less apparent but no less real. The Extension Service had long been the de facto leader in helping rural areas improve their economic environment. Thus, it resented the delegation of broader powers to the Farmers Home Administration, the Soil Conservation Service, and the Rural Electrification Administration. Freeman's attempt to impose the Rural Community Development Service as a coordinating office over these groups may have made sense in theory, but only contributed to an atmosphere of suspicion among the old-line agencies in practice.

Given the strained relations between the Federal partners in rural areas development and Congress' failure to give Freeman the sort of extensive planning authority he felt was necessary to establish a unified policy, the Secretary had to be content with elevating rural issues onto the political agenda by helping to delineate problems and possibilities.

12. Farmers Home Administration

Farm Credit in the United States

The Farmers Home Administration (FmHA), in addition to its rural development activities outlined above, was also an important source of credit for American farmers. FmHA is part of a larger public credit system which originated on July 17, 1916 when President Woodrow Wilson signed the Federal Farm Loan Act into law. This Act created the Federal land banks and the joint stock land banks which became a dependable source of longterm credit to farmers at low interest. Other loan vehicles evolved to meet temporary exigencies about the same time. Emergency crop and seed loans for example were provided through the Secretary of Agriculture from 1918 through 1931. These so-called "feed, seed, and fertilizer" loans were granted farmers who had experienced natural disasters and who could not obtain credit elsewhere. By 1931, they were available on a national basis and were usually limited to $400 with the average loan at $125.[294] The public loan structure and program came into being largely because private commercial institutions were unable to meet the total credit requirements of rural America.

As a result of the national Depression, the system was altered to relieve rural economic and social distress. Through a series of Executive Orders, beginning in February 1932, President Herbert Hoover consolidated the then existing system and added new authorization. On May 12, 1933, President Franklin Roosevelt signed the Farm Credit Act which completed the structure currently in place. This act created the production credit

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[294] Farmers Home Administration, USDA, A Brief History ofFmHA, (Washington, D.C. USDA, 1988,) p. 2.

corporations in each of the 12 Federal land bank districts, to organize/direct local production credit associations (PCA's). It also created 12 district banks for cooperatives, and the Central Bank of Cooperatives in Washington, D.C. The same day, the President signed the Federal Emergency Relief Act, the informal origin of FmHA, because of the rural rehabilitation provisions incorporated in the legislation. A third agency involved in rural credit created by the New Deal was the Rural Electrification Administration which provided low-interest-rate loans for construction of electric facilities to serve rural areas.[295]

The formal idea of FmHA took shape on April 30, 1935, the date President Roosevelt signed Executive Order 7027 creating the Resettlement Administration as an independent agency. Resettlement was superceded in 1937 by the Farm Security Administration (FSA). The common thread linking theses agencies to themselves and later to FmHA was the conviction of adminstrators based upon practical observation that supervised longterm farm ownership loans to individuals unable to find credit elsewhere was the most effective means of relieving agrarian distress and hardship for tenant farmers. Also, there existed a hope and a committment among FSA administrators that minorities in Southern agriculture would share in the credit opportunities on the same basis as whites, though programs would be maintained on a segregated basis in accordance with local custom. Limited efforts were made also to address rural poverty for the first time since Reconstruction.

From 1945 until 1964, the three credit systems were expanded. As sucessor to FSA in 1946, the Farmers Home Administration was given the emergency loan program (1949), the rural housing loan program (1949) and the small watersheds loan program (1956), and a number of other new programs. Similarly, the rural electrification loan program was expanded to cover loans for telephone facilities in 1949.

From 1949 to 1979, many additions were made to the lending and to water programs which broadened out the administrative services. The Federal Housing Act (1949) enabled FmHA to make farmers housing loans as part of the national housing program. The Disaster Loan Act (1949) originated the special emergency farm loan to recover losses from natural disasters. In 1954, the Water Facilities Act was broadened by amendment to be applied on a national basis and to permit farm area water systems to accept nonfarm customers in rural communities. A year later, FmHA entered into a pioneering rural development effort, the date on which the program was first given Federal status. This involved a pilot program of loans to farmers who could not qualify for regular FmHA loans. In 1959, FmHA loans were extended to local organizations which covered the local

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[295] Farm Credit Act of 1933; W. Gifford Hoag, The Farm Credit System: A History of Financial Self-Help (Danville, Ill.: The Interstate Printers and Publishers, 1976), p. 2; Mary Beth Norton et al, A People and A Nation: A History of the United States Vol II, 3rd Ed. (Boston, MA: Houghton Mifflin Co, 1990), pp. 733, 738, passim; Congress and the Nation: A Review of Government and Politics in the Postwar Years, 1945-1964. (Washington, D.C. Congressional Quarterly, Inc., 1965), p. 745.

share of cost in small watershed projects under Pubic Law 566.[296]

An agency such as FmHA is best perceived as a continuum responding as much to prevailing economic forces in agriculture as well as to the policies of a given administration, all filtered through a lens of localism. Disaster loans had been expanded to meet the drought emergency of 1958 and 1959, and the nature of FmHA loans had been changed during the same period due to a recession. The agency became a part of a larger strategy of "pump priming" or deficit financing to invigorate the rural economy. Projections by FmHA for 1960/61 called for slight decreases in operating loans and substantial decreases in disaster loans, now that the drought emergency appeared to be over.

For twenty-five years after the Second World War, America had experienced an unprecedented economic boom, punctuated by occasional recessions in 1950, 1953, 1957 and 1959-60. The final one contributed to the election of President Kennedy. Agriculture was effected, yet the overall trends of mechanization, productivity, consolidation, and reduction in numbers of farmers continued during the Kennedy years. Farm population fell from 24.4 million in 1945 to less than ten million by 1970. The prospect of reaching out with funds to farm-oriented individuals who still could not obtain loans elsewhere continued to concern the agency and the Congress during the Kennedy years and thereafter. It was also part of the postwar emphasis upon rural development.[297]

Broadening the Mandate under Kennedy

The basic objective the new President's farm program was to raise farmer income and preserve the smaller farmers, while at the same time cutting down federal aquisitions of surpluses. Although much of his program--particularly that involving use of stringent sales and production quotas--was not enacted, liberalized credit changes for smaller farmers were permitted in final legislation. In 1961, FmHA conducted a substantial supervised credit program for low income farmers with a loan volume of $300 million a year. The word "supervised" credit refers to the administration practice of close cooperation at the local level between the loan officer and the borrower to ensure for the best possible use of the money. The entire farm operation is reviewed in detail, not only production and marketing but also farm and household expenditures and repayment details. The program has several important economic resultsbesides keeping families in farming: (1) through purchases with the money, the borrower increases his income and contributes to the health of rural businesses and (2) to expanding rural employment opportunities.[298]

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[296] Public law 566, 83rd Congress, 2nd Session cited in Gilman G. Udell, Farm Relief and Agricultural Adjustment Acts (Washington, D.C., GPO, 1968), pp. 454-56.

[297] Norton, A People and A Nation, p 885; Appropriation Hearings for 1961, USDA, 86th Congress, 2nd Session, Part 2, Agriculture, p. 480.

[298] Wayne D. Rasmussen and Gladys L. Baker, The Department of Agriculture (New York: Praeger Publishers, 1972), p. 124.

A second function of FmHA during 1960s and beyond has been the administration of water projects. The precedential legislation for this function also came into existence in 1937 as the Water Facilities Act.It provided loans for individual and association farm water systems in 17 western states troubled by drought and water shortages. In 1942, FSA was given the authority for the water factilites program in these states.[299]

A portion of the the omnibus farm bill (PL 87-1128) which broadened and reorganized FmHA credit programs came into existance in 1961. The credit provisions were called the Consolidated Farmers Home Administration Act of 1961. Key provisions raised limits on farmer loans to $60,000 for farm ownership, replacing the old formula whereby each county's limit had been set by the average value of its family farms; and from $20,000 to $35,000 for farm operating purposes. Also, water programs were made available to the general rural population, including incorporated towns of up to 2,500 persons. The loan limit on a project (previously $250,000) was raised to $500,000 for a direct loan, and $1,000,000 for an FmHA insured loan. Finally, direct loan repayments of interest and principal by farmers on ownerhsip, soil and water and operatng loans were henceforth to go into a direct loan account to finance future loans. Previously, these payments had gone into the Treasury. The change did not alter the requirement that the total of such direct loans for any given year be authorized in advance by Congress. It was a simple bookkeeping device designed to credit FmHA, in budget calculations, with repayments, so that only the FmHA's net outgo would be shown.[300]

In 1961 and 1962 low-income non-farm resident and senior citizensbecame eligible for housing loans, with extension to rental housing added in 1966. Further expansion occured in 1968 when grants and loans with very low subsidized interest rates were introduced. The maximum size of the rural community elibible for these loans increased steadily, from 2,500 in 1960 to 5,500 in 1965, to 10,000 in 1970. The Economic Opportunity Act (EOA) of 1964 established loans for small farm improvements or non-farm enterprises for rural low-income people. The EOA functioned for seven years, making some $109.3 million in loans to individual and $21 million to cooperatives.

Under Kennedy, the omnibus housing bill (PL 87-70) extended the farm housing loan program until June 30, 1965, with an additional $200 million authorized (bringing the grand total to $1.2 billion since 1949). Purposes of such loans were broadend to include non-farm rural housing and the Secretary was authorized to insure $25 million in provate loans for construcion of housing for domestic farmer workers, at 5 percent.

Local customs and practices carried considerable weight in the determination of FmHA loans regardless of particular program, time and place. In the South, the decentralized nature of the agency, the selection by the FmHA director of local white county committees to pass on loans submitted to FmHA, and a restrained attitude by the Federal Government, sustained a closed, paternalistic rural world. It gave the agency the

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[299] Farmers Home Administration, USDA, A Brief History of FmHa, June 1980, pp. 1-3.

[300] See Title III, PL 87-128, 75-Stat. 308-319, pp. 13-25; Congress and the Nation, p. 749.

aura of a political organization or "courthouse gang" in the common parlance. Sustaining the racial status quo became a crucial litmus test. It was not uncommon during the 1960s and 1970s to find relatives of larger farmers or county commissioners holding loan officer positions or staffing the loan committees. In the South, the traditions of paternalism and racial segregation tended to minimize the degree of participation of Black farm and non-farm borrowers, (few sat on committees or administeredloan applications), and there also existed the historical distrust among many black farmers of the credit system and a fear associated with proximity to the county courthouse.[301] These folkways and white prejudices yielded but slowly during the 1960s. Investigations of FmHA offices by the Office of Civil Rights in the Department throughout in 1968 confirmed rampant discrimination against prospective borrowers and job applicants, even the use of the local agency as a means of suppressing those attempting to register to vote and to exercise other civil rights.[302] Also, throughout the 1960s and 1970s FmHA national leadership either ignored or refused outright to implement federal equal opportunity guidelines and laws designed to prohibit discrimination and promote equal opportunity.[303]

Within these social/racial deficiencies and limitations, the main loan programs throughout the period continued to facilitate increased flows of rural credit to those individuals and agencies which obtained loans. Individual loans were not to exceed $100,000, and the program was popular as well as successful in terms of repayment.

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[301] William C. Payne, Jr., Implementing Federal Nondiscrimination Policies in the Department of Agriculture, 1964-1976. Paper prepared for the Agricultural Policy Symposium of the Policy Studies Organization, Washington, D.C., July 26, 1977. Payne was Deputy Chief, Program Planning and Evaluation Division, Office of Equal Opportunity, USDA. See pages, 8-13. Copy in Agricultural History Section, USDA. Interview J. Phil Campbell, University of Georgia, Athens, 1986; a Commissioner of Agriculture for Georgia, he explained how he personally controlled the politics in rural counties through his appointments and personal recommendations. Interview, Martin G. Bailey, ret. State Leqder for Negro Work Maryland, College Park, Maryland, 1983. Interview, Garnie Poulson, County Agent ret. Salisbury, Maryland, 1983.

[302] Report of the United States Commission on Civil Rights, Equal Opportunity in Farm Programs, (Washington, D.C.:GPO, 1965), pp. 57-82; Hearing, Before the U.S. Commission on Civil Rights, Montgomery Alabama, April 27-May 2, 1968. Birmingham, Ala, 1968, pp. 92-3, 106, 125-128, 182, 227-239, passim. The Report is one a number of publications critical of FmHA running through 1982. See The Decline of Black Farming in America: A Report of the the U.S. Commission on Civil Rights, February 1982. Most of the report deals with Farmers' Home Administration Programs.

[303] Report of the United States Commission on Civil Rights, Equal Opportunity in Farm Programs, (Washington, D.C.:GPO, 1965), pp. 57-82. The Report is one a number of publications critical of FmHA.

However, it was limited in the late years of the decade by Administration economic cutbacks. Direct loans made under the Housing Act of 1961 numbered 136,889 by 1970 and averaged $7,4000. Of those loans repaid between the period 1949 to 1970, about 20% were repaid ahead of schedule.[304]

The Farm Credit Administration likewise underwent minor changes beginning in 1961 under PL 87-343. Certain intermediate credit bank and PCA revolving funds were consolidated; PCAs were required to set aside certain funds as bad-debt reserves, an increase from five to seen years in maximum maturity was permitted on loans, advances and discounts by an intermediate credit bank. In 1964, the cooperative Farm Credit System superivised by FCA made loans of $6.1 billion to farmers and their cooperatives.[305] During the Johnson years, Public Law 90-488 was passed amending the Consolidated Farmers Home Administration Act of 1961. It authorized the Farmer's Home Administration to make loans to farmers for projects that would supplement family income. Such projects might include such small nonfarm enterprises as repairing famr o automotive equipment, processing locally produced commodities and estalbishing wood-working, leather or handicraft shops. It also authorized covernsion of acreage to outdoor recreational purposes. The intent was to benefit families which were unable to support themselves from farming alone.[306]

Other provisions doubled money available for soil and water associations to make municipal improvements, and increased from $50 to $100 million the amount of loans in the insured loan program that could be held in the agricultural credit insurance fund pending sale to private investors. Also President Johnson signed legislation designed to expedite the retirement of Government capital in the Federal Intermediate Credit Banks, the Banks for Cooperatives, and the Production Credit Associations. This action would virtually free the Farm Credit Administraton programs from direct federal control and make future federal budgets more accurate and predictable.[307]

13. Rural Electrification Administration

Background of REA

Another agency important in rural development was the Rural Development Administration (REA). Franklin D. Roosevelt created the REA by executive order on May 11, 1935. Slightly more than 10 percent of American farmers had central power electricity at that time, and Roosevelt hoped to ameliorate unemployment by putting $100 million into rapid circulation by constructing power lines in the countryside.

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[304] Rasmussen and Baker, pp. 124-125.

[305] Congress and the Nation, p. 755.
[306] Congress and the Nation, II, p. 583.
[307] Ibid.,p. 584.

The complexities of planning and organizing soon demonstrated that REA could not be used as a relief program. By August, the President had turned it into an organization for lending, and on May 20, 1936, he signed legislation to that effect. Congress gave REA a ten-year life span as an independent agency and charged it with the task of bringing electricity to rural areas. REA could lend money to generate, transmit, and distribute power as well as to assist customers install wiring, plumbing, and appliances. In 1939, REA became part of USDA. Five years later Congress passed the Pace Act making it a permanent agency with authority to grant loans at 2-percent interest for up to thirty-five years. The Pace Act also specified that REA-borrowers had to supply electricity to all potential customers within their territory. Almost from the very beginning, the overwhelming majority of REA borrowers had been cooperatives formed by farmers to serve their own communities after private utilities had refused. In 1949, Congess added a telephone program to REA.

The progress of rural electrification was startling. About 30 percent of farms had electricity by 1940, 77 percent in 1950, and 97 percent in 1960. Borrowers had built 1.5 million miles of distribution lines by the latter year, or about 50 percent of the nation's total. They served 4.7 million customers. By 1960, REA had loaned $3.5 billion to around a thousand borrowers. Three-fourths of the money had gone into building distribution lines. Borrowers had used most of the rest for generation and transmission (G and T) systems and less than one percent for customer improvement loans.[308]

Administration

President John F. Kennedy appointed Norman M. Clapp as REA Administrator in February 1961. Clapp had served as administrative assistant to Senator Robert M. LaFollette, Jr., in the 1930s. As a Wisconsin newspaperman in later years he had a reputation as one of the most knowledgeable proponents of rural electrification, and he had won a press award for an editorial supporting REA.[309]

On July 21, 1961, Clapp announced his plan for reorganization. There was to be a Deputy Administrator and three Assistant Administrators who ran the Electric, Telephone, and Operations Programs. The Electric Program had Directors for the Distribution, Standards, and Power Supply Divisions, and five regional offices. The Telephone Program also had five regional offices and Directors for the Engineering and Operations Division and the Standards Division. The Operations Program did the housekeeping: it contained the offices of Controller, Information Services, Personnel Management, and Program Services. In addition, a small Rural Development staff reported to the Administrator.[310]

Should REA Phase Out?

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[308] Agricultural Statistics, 1967 (Washington, 1968). 620-23. "25th Anniversary Information from REA," (mimeographed), February 1961. Rural Lines-USA, REA Miscellaneous Publication No. 811 (Washington, 1960), 35-9.

[309] Washington Post, February 7, 1961. USDA Press Release, February 1961.

[310] USDA Press Release, July 26, 1961.

By 1960 all but three percent of American farms had central-station electricity. The agency's opponents argued that REA had served its purpose and should be phased out. Electrical cooperatives and their supporters disagreed. Large areas remained, with small population, which had few or no distribution lines. In addition, postwar America was in an era of rapid change. Suburbs had sprung up in once bucolic areas and demanded expanded services. Many businesses and industries had moved into the countryside. Farmers themselves, moreover, had installed once undreamed machinery and appliances which put new demands on power supplies.[311]

Private utilities were the most vocal critics of REA. They consistently opposed low-interest loans which allowed cooperatives to build lines into sparsely populated areas, although they themselves had earlier argued that it was impractical to do so. On the other hand they accused REA borrowers of sometimes taking 2-percent loan money and reinvesting it at higher rates for profit. Another target was the provision of the Rural Electrification Act which allowed loans to customers for wiring, plumbing, and machinery. Critics cited and recited the case of the Pennsylvania ski resort which borrowed $110,000 to build, among other things, a snow producing machine. Arguments over these issues, however, were mere skirmishes when compared to the heat generated over questions of territorial integrity and REA loans for G and T systems.[312]

As industry and people both moved into rural areas during the postwar period, a number of disputes flared. Proponents of private utilities argued that the only purpose of the Rural Electrification Act had been to bring electricity to farm homes and that REA borrowers should surrender territory which became urbanized or industrialized. Cooperative leaders responded that only by retaining these markets could they become truly independent as well as lower their rates. As it was, cooperatives averaged only three customers and $414 revenue per mile as compared to thirty-three and $6580 for Class A and B utilities. Moreover, as supporters of the cooperatives pointed out, the federal legislation dealt with rural, not farm electrification. Another area of contention was the practice of "dual billing." A number of private utilities made cooperatives sign contracts under which they had to pay full retail rates for electricity purchased and then resold to industries and other large users. In sum, supporters of REA contended that borrowers needed territorial protection, abolition of dual rating, and a substantial increase in their G and T systems.[313]

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[311] Wayne D. Rasmussen et al, "The Department of Agriculture During the Administration of President Lyndon B. Johnson: November 1963-January 1969," Volume I: "Administrative History," 469-71 (in the files of the Agricultural and Rural History Section, ERS); hereinafter referred to as "Johnson Administration History."

[312] Wall Street Journal, January 19, 1959, August 27, 1962.Washington Post, July 25, 1963, September 6, 1963. Congressional Record-Appendix, January 10, 1963, p. A-30. Kenneth O. Gilmore and Eugene H. Methvin, "The REA-A Case Study of Bureaucracy Run Wild," Reader's Digest (December 1963), 81-7.

[313] Congressional Record, Senate, July 24, 1963, p. 12448-9. Washington Post, August 29, 1962. National Rural Electric Cooperative Association, Rural Electric Fact Book

A New Beginning

Until the late 1950s most REA money had gone to finance the badly-needed distribution system, and the results had been spectacular. Prior to 1961, G and T systems had gotten only about 25 percent of the agency's loans. In that year, cooperatives had produced 15.6 percent of their electricity while buying nearly 40 percent from private utilities and purchasing the rest from government agencies such as the Tennessee Valley Authority. But in the last years of the Eisenhower administration, when distribution lines linked most rural areas, cooperatives had begun to contend that they needed power plants in order both to insure an adequate supply and as a lever in bargaining for fair rates from the private utilities. In 1956, REA had authorized a loan to build a nuclear power plant at Elk River, Minnesota, to be operated in conjunction with the Nuclear Regulatory Commission. David Hamil, Eisenhower's REA Administrator had allocated 40 percent of the 1960 electrification budget to G and T loans. Included was the largest single loan in the agency's history to that point: $25.8 million to Southern Illinois Power Cooperative.[314]

Administrator Norman Clapp supported the rising demand for G and T development. In the past REA had followed two criteria for this type of loan: 1.) If "no adequate and dependable source" was available, or 2.) If the existing sources were more expensive than new ones, built with agency loans, would be. Early in June 1961, Clapp announced a broad new criterion: 3.) If it was "necessary to protect the security and effectiveness of REA-financed systems." Although the third criterion stirred heavy opposition and was later revoked by the Nixon administration, the Clapp years established G and T systems as a major factor in all future calculations.[315]

In 1962, REA approved a loan for building a 216-megawatt lignite-fueled steam plan in North Dakota. It was the largest of its kind in the Western Hemisphere. The builder, Basin Electric Power Cooperative aimed at serving ninety-seven distribution cooperatives in eight states. Basin Electric utilized transmission lines of the Bureau of Reclamation and had interties with the public hydroelectric plants located at dams along the Missouri river. After the plant come on line in 1966, it proved so efficient that REA gave a new loan of $97 million to build a second plant with a 460-megawatt capacity.[316]

The increasing demand for power in 1960s and 1970s gradually dampened much of the criticism of G and T loans. Necessity led to closer relationships among the various sectors of the industry. Private utilities began connecting their power grids with those of the rural electric system - as REA borrowers called themselves. Both were seeking to

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(Washington, [1965]), 19, 100-102.

[314] Congressional Record, Appendix, January 10, 1963, p. A-30. Agricultural Statistics, 1976 Washington, 1977), 499. National Rural Electric Cooperative Association, Rural Electric Fact Book (Washington, [1965]), 17-19. Ibid., People-Their Power: The Rural Electric Fact Book (Washington, 1980),19. USDA Press Release 2-61, January 4, 1961.

[315] USDA Press Release 1809-61, June 8, 1961.

[316] "Johnson Administration History," Volume I,472. National Rural Electric Cooperative Association, People-Their Power: The Rural Electric Fact Book (Washington, 1980), 59-61.

guarantee a reliable supply for consumers. In Ohio, thirty cooperatives joined with the American Electric Power Company to build a huge new plant. An REA loan let an Iowa cooperative construct transmission lines which would tie in with North Dakota's Basin Electric steam plants, the Missouri river dams, and a number of private utilities. Although increased interdependency did not end all problems such as those over territorial integrity, many were ameliorated. On the other hand, some private utilities resisted interties with the rural electric system because they would lead, it was feared, to centralized federal control. Congress itself reflected this concern in the Appropriations Act of 1963 which imposed strict review, under narrow guidelines, of all G and T loan applications.[317]

An increasing percentage of REA's electrification budget went into G and T projects during the Kennedy and Johnson years. Overall REA spending climbed during the latter period especially as the President stressed the need for rural development. From 1961 to 1969, REA borrowers more than doubled their sales of electricity and tripled their generated output. In the earlier year, electrical cooperatives had supplied 15.6 percent of their own power; in the latter it was almost a quarter. Increased independence probably gave distribution cooperatives better bargaining power with private suppliers. In addition, Norman Clapp had ruled in 1961 that REA borrowers could no longer sign dual-rate contracts with private utilities. By 1969, most had been eliminated.[318]

The Rural Telephone Program

On October 28, 1949, President Truman signed legislation for a program of rural telephone loans through REA. At that time only 38.2 percent of farms had phone service. The Bell companies had seldom extended their lines into rural, low-density areas. Existing telephone systems were usually quite primitive. Neighborhood farmers sometimes formed mutual associations which usually did not even have a switchboard let alone ties with other systems. At other times one family would operate a small company. Telephone instruments were usually large, wooden, wall-hung, magneto types, not much improved in fifty years. Connecting lines were strung haphazardly on fenceposts and trees.

Although telephone service by mid-century had become almost as important in rural areas as electricity, final agreement on the legislation had taken careful negotiation because of the initial opposition from private electric utilities, the Bell System, and even some independent telephone companies. The Rural Telephone Act as finally passed gave companies and associations already in existence a head start in getting loans. A provision requiring borrowers to put up sizeable equity meant that prospective cooperatives had to

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[317] Congressional Record, Appendix, January 10, 1963, p. A-30. "Johnson Administrative History," Volume I, 483-87. Wall Street Journal, November 8, 1963. USDA News Release 3723-64, November 3, 1964. Congress and the Nation, 1945-1964 (Washington, 1965), 754.

[318] U.S. Congress. House. Subcommittee of the Committee on Appropriations. Hearings. Agriculture and Related Agencies. 1961-1970, passim. Agricultural Statistics, 1976 (Washington, 1977), 499. National Rural Electric Cooperative Association, People-Their Power: The Rural Electric Fact Book (Washington, 1980), 58.

gather fairly subsantial funds from members before applying for loans.[319]

The telephone program became active almost immediately after President Truman signed the bill into law. The loan conditions were similar to those for electrification: 2-percent interest, self-liquidating over thirty-five years. REA officials decided at the outset that they would loan only to operations which agreed to go to dial service at once. Rural areas responded with enthusiasm. Most small companies expanded their services, and many of the old mutuals banded together into cooperatives. Although technicians were in short supply throughout the whole industry, REA was able to provide sound guidance to borrowers from the start, and the system built on a solid foundation with high standards.[320]

During 1950 the telephone program loaned $3.4 million to seventeen borrowers with 17,000 subscribers and 4,000 miles of lines. By 1961, some 753 companies and cooperatives, with 1.6 million subscribers and 408,000 miles of lines, had borrowed $818 million. Farms with telephones had risen from 38.2 to 70 percent. Although the Bell System refused to participate, independent companies received strong support from REA and made up about two-thirds of its borrowers.[321]

After a decade's existence, the telephone program had proven increasingly popular. It had escaped almost all of the controversies which had plagued the electric program. Despite this broad acceptance, loan applications dropped for a brief period in the early 1960s. The easier, first-stage work had been completed; the reasonably accessible farms were connected with new pole lines and new telephones, although many of them still shared a party line with half a dozen others. By 1965, budgets had begin to climb again. REA borrowers had entered a more complex era of modernization. Newly-developed technology let underground cables replace surface lines. Party lines rapidly disappeared. Microwave beaming brought some of the most isolated spots into connection with the outside world.[322]

When Norman Clapp left office in 1969, REA could boast of considerable achievement in its telephone program. Cumulative loans had nearly doubled to more than $1.6 billion. The 862 borrowers serviced 2.1 million subscribers over 459,000 miles of lines. Approximately 82 percent of farm homes were now connected.[323]

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[319] Rural Telephone Service-USA. REA Miscellaneous Publication No. 823 (Washington, 1960), 3-7.

[320] Rural Telephone Service-USA, REA Miscellaneous Publication No. 823, (Washington, 1960), 8-11.

[321] U.S. Congress. House. Subcommittee on Appropriations. Hearings. Agriculture and Related Agencies. 1963, Part 3, p. 1607. Agricultural Statistics, 1976 (Washington, 1977), 505. Rural Telephone Service-USA, REA Miscellaneous Publication No. 823 (Washington, 1960).

[322] U.S. House. Subcommittee of the Committee on Appropriations. Hearings. Agriculture and Related Agencies. 1963, Part 3, p. 1604. Ibid., 1965, Part 4, p. 9. Ibid., 1967, Part 2. p. 133-4.

[323] Ibid., 1971, Part 3, p. 294.

REA Funding

REA's annual line in the federal budget remained an irritant to the agency's opponents, although they no longer argued, as they once had, that anyone who wanted electricity could get it. Rural demands after 1935 proved that case an embarrassment. Although some adversaries still grumbled that REA was the foundation upon which a nationalized power system would be built, by the 1960s the major argument used against REA was that with 97 percent of farms having electricity, it had become redundant. Even when David Hamil had served as Administrator under Dwight Eisenhower, the President had had a bill drafted to remove funding from the federal budget, but he could find no one to introduce it.[324]

Beyond the basic issue of continued existence, probably the most common criticism of REA was the 2-percent interest mandated by the Pace Act of 1944. Defenders countered that the rate provided the margin of success for distributors which covered vast geographical areas with a low density of subscribers. Opponents doggedly stated the obvious: borrowed money cost private utilities a good deal more.[325]

The increase in the amount of loans going to G and T projects deepened the anxiety of critics. Norman Clapp recognized that the arguments against REA lending policies needed a serious response. At the twenty-second convention of the National Rural Electric Cooperative Association (NRECA) he told his listeners that there should be another source of capital, with greater flexibility, for cooperatives which were maturing but still not fully prepared to finance loans through private institutions. At the same time, he noted that the 2-percent loans should still be available to qualified borrowers operating under adverse conditions.[326]

Clapp reflected the opinions of many leaders in the field. NRECA contracted with Kuhn, Loeb and Company for a study of alternate financing. In August 1965, NRECA recommended that Congress charter a Federal Bank for Rural Electric Systems which would make loans of up to fifty years duration. The interest rate would be high enough to cover its cost to the government. The new bank would also have fewer restrictions on its lending policies, especially in regard to G and T systems. As a result, the legislation came under heavy fire from the private utility industry. On the other hand, many cooperatives feared that REA's 2-percent loan rate would be threatened, and they gave mixed signals to their congressmen. After a two-year battle in Congress, NRECA finally asked the House Rules Committee not to report out a heavily amended proposal.[327]

NRECA remained convinced of the need for an intermediate bank which would not have guidelines as narrow as those of REA but which, on the other hand, would be more

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[324] Don F. Hadwiger and Clay Cochran, "Rural Telephones in the United States," Agricultural History, 58(July 1984), 236.

[325] Congressional Record, Senate, July 24, 1963, p. 12448-9; July 31, 1963, p. 13032.

[326] USDA News Release 801-64, March 10, 1964.

[327] National Rural Electric Cooperative Association. People-Their Power: The Rural Electric Fact Book (Washington, 1980), 74-75. New York Times, August 8, 1965. National Journal, April 4, 1970.

sympathetic than commercial bankers. As a result of continued efforts on its part, the National Rural Utilities Cooperative Finance Corporation (CFC) received a charter from the District of Columbia in April 1969. CFC was a cooperative itself, owned by its member systems. It had no government affiliation but worked closely with REA on financial matters. CFC's capital came from member's investment in its term certificates as well as collateral trust bonds sold to private investors. One feature of its operation was that borrowers had to reinvest up to five percent of their loans back into CFC. Its policy was to share loans with other agencies although it would provide 100 percent if, for example, the purpose did not comply with the more narrow REA guidelines.[328]

14. Forest Service

Background

The passage of the Multiple-Use Sustained Yield Act of 1960 marked the beginning of a new period in Forest Service history. Before 1960 the agency derived its principal mandate from the so-called "Organic Act of 1897" which stipulated that national forests could not be established "except to improve and protect the forest within the reservation, or for the purpose of securing favorable conditions of water flows, and to furnish a continuous supply of timber for the use and necessities of citizens of the United States. . . ." Over the years the Forest Service and the Secretary of Agriculture had provided for other uses of the national forests through the general use provision of the 1897 act as interpreted by the courts.

In 1929 the Forest Service promulgated its L-29 Regulations which provided for the creation of a system of primitive areas within the national forests. This system was the forerunner of the National Wilderness Preservation System which Congress established on public lands beginning in 1964. In 1939 the agency issued its U Regulations under which the primitive areas were to be restudied and eventually redesignated as wilderness areas. The latter regulations were more rigorous and afforded wilderness areas more protection than were given to primitive areas. They prohibited timber cutting, road construction, special use permits for hotels, stores, summer homes, organization camps, and hunting and fishing camps, and most uses of motorboats or landing of aircraft.

The creation of primitive and wilderness areas was a signal that the administration of the national forests was becoming more complex. Agency personnel began to use the term "multiple-use" to describe their attempts to harmonize the different ways of using the national forests. In general the Forest Service was able to accommodate different uses without much conflict until about the end of World War 11.[329]

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[328] National Rural Electric Cooperative Association. People-Their Power: The Rural Electric Fact Book (Washington, 1980).

[329]. U.S. Forest Service, Report of the Forester (Washington, D.C.: GPO, 1926), p. 36; Dennis M. Roth, The Wilderness Movement and the National Forests (College Station: Intaglio Press, 1988), pp. 1-6.

After the war there arose strong opposition to Forest Service control of livestock grazing, particularly in the Rocky Mountain states of Colorado and Wyoming. Congressional hearings were held in the field during which the Forest Service was often vigorously attacked by graziers and their congressional representatives. Stockmen demanded a proprietary right to their range permits and strongly opposed reductions in grazing made necessary by range deterioration. However, no legislation embodying their viewpoints was passed and the ruckus subsided. The end of the war also saw a skyrocketing demand for housing as millions of veterans entered the housing market. For the first time there were heavy demands for National Forest timber, as private timber supplies began to run out. During the 1950s timber harvests almost tripled, going from about 3 billion board feet in 1950 to almost 9 billion at the end of the decade. During those years the Sierra Club and The Wilderness Society also started a campaign for a congressionally-legislated wilderness system because they feared that the Forest Service would diminish its own wilderness system to satisfy the demands of the timber industry.[330]

By the late 1950s, the Forest Service decided it needed legislation to support its multiple-use and sustained-yield policies. Its efforts to administer the National Forests under these policies were being increasingly challenged by growing and conflicting demands for forest resources. Moreover, the legal basis for these policies was in many instances questionable.

The Multiple Use-Sustained Yield Act was passed in 1960 and set forth five major uses of the National Forests: wood products, recreation, grazing, watershed, wildlife and fish. The act defines multiple-use as the management of all the various renewable surface resources of the National Forests so that they are utilized in the combination that will best meet the needs of the American people, and coordinated so that they will not impair the productivity of the land. Political scientist Dennis Le Master has commented that the act was significant because it gave the Forest Service management direction. On other hand, he believes that it has been ineffective as a legal tool in resolving conflicts or as a balancing mechanism between user groups.[331] This view is confirmed by the fact that Congress felt it necessary to pass more legislation governing the management of the National Forests in the 1970s. These will be discussed below.

Forest Service Organization

The organizational structure of the Forest Service has remained remarkably stable during the last forty years. The agency is administered by a chief, associate chief, and deputy chiefs in Washington, DC and is divided into three principal divisions - the National Forest System, which manages 186 million acres of forest and range land; State and Private Forestry which provides technical and financial assistance to states and private landowners;

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[330]. U.S. Department of Agriculture, The Principal Laws Relating to Forest Service Activities, Agricultural Handbook no. 453 (Washington, D.C.:, GPO, 1978), p. 201; Roth, The Wilderness Movement, pp. 6-10.

[331]. Dennis C. Le Master, Decade of Change (Weststport, Ct.: Greenwood Press, 1984), p.7.

and Research which conducts basic and applied forestry research. In the early 1960s the agency's budget averaged approximately $375 million, most of which was (and is) spent by the National Forest System. In the 1980s the budget has averaged about $2 billion unadjusted. Receipts from timber sales, grazing and other fees (which go into the general United States Treasury) have averaged about half the expenditures.[332]

In 1961 the National Forest System was divided into ten regions headed by regional foresters (seven in the West, two in the East, Midwest, and South, and one in Alaska). In 1966 the Northeastern Region was abolished and its forests transferred to the Great Lakes Region which was renamed the Eastern Region. That same year separate offices called Areas were established in Broomall, PA and Atlanta, GA to administer State and Private programs in the northeast and southeast. (In 1982 the separate Southeastern Area was abolished and its operations merged with those of the National Forest Regional Office.)

It is somewhat arbitrary to divide Forest Service history into political administrations. Its leaders have always been promoted from within and have never been installed at the beginning of a new administration. In fact, Forest Service chiefs follow a tradition of retiring before presidential elections so that their replacements have an opportunity to consolidate their positions before a new administration takes office. On the other hand, the Forest Service follows political direction from the Secretary of Agriculture and The White House and thus it does reflect to a certain extent the character of the administration in power.

Richard McArdle was chief in 1961. He had assumed office in 1952 shortly before the 1952 election after a 20-year career as a researcher, experiment station director and deputy chief. The Eisenhower economic policies emphasized free markets and growth. As a result the Forest Service increased the production of many national forest resources, especially timber. In some ways McArdle's tenure was a high-point in Forest Service history. Budgets and personnel increased tremendously and the agency avoided divisive political conflict.

Wilderness

Senator Hubert Humphrey introduced the first wilderness bill in 1956. The Forest Service and the National Park Service both opposed the bill for at least two years. They maintained that they could manage wilderness land without legislation. By 1958 the Forest Service had dropped its opposition to the bill but could not openly support it because it was not endorsed by the Eisenhower administration. Soon after taking office in 1961 President John Kennedy came out in support of the bill. The Forest Service and other federal land agencies actively testified on its behalf. The Wilderness Act was not signed into law until September 3, 1964, nearly a year after Kennedy's assassination but most of the political compromises needed for its passage were made during his administration. Prior to 1964 Congress had shaped Forest Service land management policies indirectly through the appropriations process. The Wilderness Act marked the first time it had become directly involved in designating national forest land for a specific use. The act placed 9 million

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[332]. USDA Forest Service, "Report of the Chief," 1961-86.

acres that the Forest Service had administered as "wilderness" into the National Wilderness Preservation System. It required the agency to study another 5 million acres of "primitive" areas for possible inclusion in the Wilderness System.[333]

The Beginnings of Environmentalism

Edward Cliff became chief in 1962. In the same year Rachel Carson's Silent Spring was published, a book which many historians believe ushered in the modern environment era. Silent Spring was an indictment of government and industry cooperation in distributing DDT, a pesticide harmful to wildlife. Conservationists of an earlier era had generally viewed the federal government as an ally. Environmentalists in the years following Silent Spring, on the other hand, often saw it as an adversary. Many environmentalists perceived a so-called "commodity bias" in Forest Service policies, and began to see it as an obstacle in their campaign to preserve wilderness and other natural values.

Multiple Use

During the early 1960s the Forest Service implemented the Multiple Use Sustained Yield Act (MUSY). The act only required the agency to give "equal" consideration to all the resources, not manage them equally. The Forest Service responded to the rather vague language of the act by increasing its attention to recreation, wildlife, and watershed through planning. Planning for MUSY took two forms. The agency began to write separate functional resource plans for wildlife, recreation, and other resources. At the same time it experimented with zoning of land uses. Both of these types of planning were later incorporated into the integrated land and resource planning required by the National Forest Management Act of 1976.

In 1961 the agency began a two-stage planning process to divide the national forests into management zones. In the first stage all of the nine regions wrote multiple-use planning guides which gave designations, general definitions, and broad management guidelines for several land zones. The second stage required each district ranger to prepare a District Multiple-Use Management Plan classifying all the district's land into zones and suggesting how to coordinate its various resources.

These plans were the agency's first systematic attempt to resolve conflicts involving the various uses of national forest land. They helped local land managers decide where logging and other activities should be located. Unfortunately, most of them suffered from chronically poor inventory data on soil stability, wildlife habitats, and other site-specific conditions. As a result district rangers were reluctant to establish plans any more detailed than those contained in regional office guidelines.[334]

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[333]. U.S. Senate, Committee on Interior and Insular Affairs, National Wilderness Preservation Act, Hearings, 85 Cong. 2d. sess., 1959, p. 310; Roth, Wilderness Movement, pp. 10-12.

[334]. U.S. Forest Service, Forest Service Manual (Washington D.C., 1973), p. 8213; Charles F. Wilkinson and H. Michael Anderson, "Land and Resource Planning in the National Forests," Oregon Law Review 64, Nos. 1 and 2 (1985), pp. 31-34.

Public Land Law Review Commission

Recognizing its need for a variety of information on land and resources in order to deal positively with issues, Congress established the Public Land Law Review Commission in 1964. This was done at the insistence of Congressman Wayne Aspinall, powerful chairman of the House Interior Committee, as part of a deal to let the 1964 wilderness bill go to the House floor for a vote. The fourth of similar land commissions (the first was in 1880), it was asked to study and recommend changes or additions to the nation's land law. The PLLRC was composed of nineteen members, including six senators, six congressmen, six presidential appointees, and Chairman Aspinall. It received testimony from over 900 witnesses at ten regional hearings held between 1966 and 1968.[335] The voluminous commission report, which took almost six years to complete, was summarized in 137 recommendations. Apparently out of touch with the rapidly changing times, its authors criticized the Forest Service for spending too much time and money on managing National Forest resources. Such views, coupled with the proposal that "dominant use" replace multiple use, lost the otherwise excellent and certainly valuable compendium much credibility with conservationists. It seemed to many that a dominant use policy would result in timber demands displacing noncommodity uses such as recreation.

The commissions's recommendations stressed three dominant themes. First, it emphasized Congress' need to reestablish and assert its authority for managing public lands. Second, the commission concluded that all Federal lands not specifically set aside by Congress for a particular use were eligible for disposition; this meant National Forests and National Monuments could be sold, since they were set up by the President and not Congress. The report suggested that Congress review all such reservations to see which lands should be retained and which should pass into State or private control. This proposal alarmed many people. (A decade later the Reagan Administration came up with a similar idea called "privatization". It received an equally poor reception.)

Finally, the report stressed commodity uses. It urged that timber production be financed by from timber sale receipts, and that timber management decisions be made "primarily on the basis of economic factors so as to maximize net returns to the Federal treasury." However, grazing permittees were to be exempt from paying the market value for public rangeland. The commission was strongly committed to the concept of dominant use, particularly for timber. The commission's recommendations were internally incompatible. Many of the specific suggestions conflicted with each other or with the basic goal of the report. The recommendations were not acted on by a Congress busy with environmental issues.[336] This was the last time a major congressional commission would issue a report so favorable to the commodity uses of public lands.

Implementing the Wilderness Act

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[335]. Richard C. Davis, ed., Encyclopedia of American Forest and Conservation History (New York, MacMillan Co., 1983), p. 548.

[336]. Samuel T. Dana and Sally K. Fairfax, Forest and Range Policy (New York: McGraw-Hill Book Co., 1980), pp. 231-235.

Wilderness preservation was soon to become the dominant issue facing the Forest Service. However, this was not readily apparent to Forest Service personnel. For instance, in late 1964 the agency's Director of Recreation met with The Wilderness Society, hoping to reach a final agreement on which primitive areas should be recommended for inclusion in the Wilderness System. He was surprised to learn that the Society did not want to negotiate, preferring instead to let the political process determine the ultimate size of the system. The Wilderness Society and the Sierra Club were becoming aware that their strength lay in the commitment of local grassroots organizers to their own favorite wilderness areas. These organizations believed it was to their benefit to avoid political compromises until their local organizers had an opportunity to mobilize public support behind individual wilderness areas.

Within days after the passage of the Wilderness Act the Forest Service assembled a group of wilderness experts to write guidelines for managing wilderness areas. This group interpreted the language of the act to mean that only pristine, untouched areas could qualify as wilderness and that once in the Wilderness System they should be managed strictly to minimize signs of human intrusion.

Anticipating that there would be strong public pressure for wilderness designation, the Forest Service hoped to convince Congress to limit the amount of wilderness acreage by showing it the "true" costs involved in a "pure" or "strict" constructionist approach to wilderness management. This committee foresaw that the Forest Service would encounter many, perhaps intractable, problems in protecting wilderness if high standards were not used in creating them. It also feared that the agency's longstanding ability to manage the national forests as it thought best would be compromised if too much acreage were put into the Wilderness System.

At one time many in the environmental movement also subscribed to a version of the "purity doctrine" as it eventually came to be known. In the 1940s they had been engaged in a defensive struggle to keep certain activities and structures out of primitive areas so that they could qualify for wilderness status under the Forest Service's U Regulations.

The environmenalists' position began to change after 1964 when they realized that the Forest Service wanted to use the same strict standards to recommend wildernesses as it did to manage them. Their organizations were no longer simply trying to preserve the status quo but were now attempting to enlarge the Wilderness System. New roles created new perspectives for both the Forest Service and the environmentalists. The Forest Service moved consciously to a more pure position when it went on the defensive. The environmentalists underwent a reverse evolution when they took the offensive.

The environmentalists found nothing in the Wilderness Act that required identical standards for management and allocation, nor would they accept the argument that the need to apply certain management techniques justified pure standards. They charged the purity doctrine was applied selectively when the Forest Service wanted to exclude an area from the Wilderness System, usually for economic reasons.

The first test of the purity doctrine came in 1967-68 on the San Rafael primitive area in California. The negotiations between the Forest Service and the Sierra Club had gone smoothly until they became stuck on 2,200 acres which the Forest Service wanted to use as a fire break. The agency maintained that a road and administrative structure on this

section of land made it unsuitable for wilderness designation. The environmentalists contented that it was necessary to protect the 2,200 acres as part of the condor flyway. The Forest Service won this round when Congress excluded it from the San Rafael Wilderness.

The next wilderness proposal to be considered was the Mount Jefferson area in Oregon. Here Congress chose to use a more liberal standard for wilderness when it included Marion Lake which was a semideveloped recreation site for boaters and fishermen containing an administrative site, campground, and boat storage facilities.

In succeeding wilderness bills Congress strayed even further from the Forest Service's interpretation of the act. It was gradually becoming clear that wilderness was whatever Congress decided to designate as wilderness.

Two other very important campaigns to preserve wilderness areas began soon after the passage of the San Rafael Wilderness Act. They involved the East Meadow Creek area in Colorado and the Lincoln-Scapegoat area in Montana.

Beginning with the landmark Scenic Hudson decision of 1965, where the judge found in favor of local ad hoc conservation organizations opposing a proposed hydroelectric project that was to be licensed by the Federal Power Commission, the courts began to re-define and liberalize the conditions under which the Federal Government could be sued. Before 1965 it was generally accepted legal doctrine that the Federal Government could not be sued without its consent. East Meadow Creek gave wilderness preservationists their first opportunity to enter this new legal terrain.

East Meadow Creek was a largely undeveloped area directly west of the Gore Range-Eagles Nest Primitive Area on the White River National Forest in north central Colorado. It was about 9 miles north of the ski resort town of Vail which had been built in 1964. In 1962 the Forest Service drew up a plan to log East Meadow Creek, and 2 years later built an access road to the border of the area. In 1968 the Forest Service decided to implement its plan.

Citizens of Vail were especially agitated. They argued that the timber sale had been planned in 1962, before the establishment of their town which depended on recreation dollars for its existence. They contacted a lawyer who filed a motion for a preliminary injunction in April 1969. He based his case on a section of the Wilderness Act which stated that "nothing herein contained shall limit the President in. . . recommending the addition of any contiguous area of national forest lands predominantly of wilderness value." On February 17, 1970, Judge Doyle found in favor of the plaintiffs and permanently enjoined the timber sale.

The agency realized that technically the Parker Decision (as this case is known) only applied to the Tenth Circuit. However, it was clear to many in the Service that they would have to bear the decision in mind whenever they wanted to develop lands contiguous to primitive areas anywhere in the National Forest System.

The primitive area reviews and the Parker Case involved land already protected by the Forest Service or contiguous to such land. But there were millions of other undeveloped acres of Forest Service land that were either contiguous to established wilderness areas or detached. Neither were covered by the primitive area reviews or the Parker Decision. Environmentalists called these "de facto" wilderness, a term that the Forest Service usually avoided because of the implication that de jure status was just

around the corner. The Lincoln-Scapegoat area contiguous to the already established Bob Marshall Wilderness in western Montana was such an area.

The Lincoln Back Country was originally an area of 75,000 acres of undeveloped forest land on the Helena National Forest. Scenically undistinguished from "literally millions of acres in western Montana," the Lincoln Back Country was nevertheless an important hunting, fishing, and hiking area for people converging on it from several western Montana towns.

In 1960 the Forest Service was prepared to build a road into the Lincoln Back Country in order to harvest timber and construct campgrounds. A small but vocal group of local residents were able to delay these plans until 1963 when the Forest Service appointed a Forest Supervisor who gradually became sympathetic to the idea of preserving the area as wilderness. The Regional and Washington Offices of the Forest Service continued, however, to support a partial development of the area. By 1965 The Wilderness Society and Sierra Club had become interested in the Lincoln Back County. Three years later the Senate Interior Committee held hearings in Montana on a bill to place the Lincoln-Scapegoat (local wilderness enthusiasts had expanded their concern to include the Scapegoat Mountains as well) into the Wilderness System. The hearings shed some unwelcome light on Forest Service timber harvesting practices in a region subject to landslides and erosion. The bill's passage, however, was temporarily blocked by the Chairman of the House Interior Committee, Wayne Aspinall. It was signed into law four years later and thus became the first so-called "de facto" area to become a designated wilderness.[337]

15. Scientific Research

Science Power and the Publicly Supported Agricultural Research System

Orville L. Freeman came to lead the USDA at a period when the phenomenon known as the Second Agricultural Revolution was at its zenith. The increased substitution of biological and mechanical technology for manpower which fueled enormous productivity advances in the major crops beginning in the 1940s continued, accelerating the trend toward larger farms devoted to specialized production operated by fewer farmers whose prosperity was increasingly susceptible to market fluctuations. The public agricultural science and education system which the Secretary of Agriculture was charged with coordinating provided much of the scientific information which powered the continuing transformation of American agriculture from a resource-intensive to a knowledge-intensive industry.

Public support for investigation into the problems confronting farmers began in 1862 with the creation of a Department of Agriculture in the national government and was

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[337]. Report on H.R. 3454 Report No. 95-490, Senate Committee on Energy and Natural Resources, 1977, p. 7; Chief Edward Cliff, "San Gabriel, Washakie, and Mount Jefferson Wilderness Areas, " Hearings Before the Subcommittee on Public Lands, U.S. Senate, 90th Cong. 2nd Session, 1968, p. 17; Roth, The Wilderness Movement, pp. 13-36.

stepped up a quarter-century later when Federal funds were first made available to institutionalize a system of State agricultural experiment stations in association with the fledgling land-grant colleges. The Hatch Act of 1887 provided equal sums of Federal dollars to each State research institution (increased in 1906 by the Adams Act and again in 1925 by the Purnell Act) while the Bankhead-Jones Act of 1935 and the Research and Marketing Act of 1946 authorized continuing appropriations from the Federal treasury on a formula basis according to each State's proportion of the rural and farm population of the United States. In 1955, an Amended Hatch Act consolidated these laws into a single piece of legislation, retaining the essential characteristics of the preceding acts, including the provision that each State match every dollar above a certain level from its own resources. Also retained were congressional directives in each of the bills which encouraged researchers to attend not only to problems of increasing farm production but to problems in basic science, marketing, rural social conditions, and commodity utilization.[338]

By the 1960s, the agricultural research system had evolved into a time-tested, flexible arrangement of Federal laboratories and State experiment stations which matched the interests of investigators in a critical array of scientific disciplines to the problems of agriculture on the national, regional, state, and local levels. As the link between science and productivity advance and maintenance became increasingly apparent to agricultural policymakers who recognized that knowledge itself was a renewable resource seemingly without limit, calls for greater efficiency began to characterize debates over continued support for the research system. Often coupled with these sentiments was a heightened concern that the agricultural revolution which science underlay produced social and environmental casualties alongside bumper crops. Thus, while respect for agricultural science grew, so did the expectations of the public for more efficient and socially responsible research programs. Responding to these challenges, Secretary Freeman presided over a number of changes in the system which: 1) made research and regulatory programs within the Department more sensitive to the concerns of both scientists and consumers, 2) raised the status of the USDA agency with responsibility for State experiment station relations, and 3) established new administrative mechanisms to enhance coordination in the setting of research priorities.

Federal-State Relations Group: 1961-62

Secretary Freeman chose Frank J. Welch, a former director of teaching, research, and extension programs in the College of Agriculture at the University of Kentucky, to fill the post of Assistant Secretary for Federal-State Relations in January 1961. At that time, the Agricultural Conservation Program Service, Farmer Cooperative Service, Forest Service, Soil Conservation Service, Federal Extension Service, and Agricultural Research Service comprised the Federal-State Relations group, a holdover from Ezra Taft Benson's reorganization of 1953. As part of Freeman's extensive reordering of the USDA in 1961

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[338] Hatch Act, 24 Stat. 440 (1887); Adams Act, 34 Stat. 63 (1906); Purnell Act, 43 Stat. 970 (1925); Bankhead-Jones Act, 49 Stat. 436 (1935); Research and Marketing Act, 60 Stat. 1082 (1946; Amended Hatch Act, 69 Stat. 671 (1955).

and 1962, Federal-State Relations was broken up and many of its constituent agencies assigned to new groupings. By the time Dr. Welch resigned from his position in July of 1962, the group consisted only of the Agricultural Research Service, the Federal Extension Service, and the Cooperative State Experiment Station Service, itself a former division of ARS that had been promoted to independence a year earlier. ARS also surrendered its Farm Economics Research Division in April 1961 to the newly minted Economic Research Service.[339] In that same month, activities undertaken by the Agricultural Conservation Program Service were absorbed by the Commodity Stabilization Service which, under its new name as the Agricultural Stabilization and Conservation Service after June of 1961, reported through the Agricultural Stabilization group.[340] The other components of the original Federal-State Relations group (Farmer Cooperative Service, Forest Service, and Soil Conservation Service) were shifted to a Rural Development and Conservation group, created in February 1962 and headed by an Assistant Secretary after August of that year.[341]

No individual was selected to fill the vacancy left by Welch's departure in the summer of 1962 as the Department continued to work out more effective administrative arrangements in its science and education programs over the next year and a half. The Agricultural Research Service and the Cooperative State Experiment Station Service continued the close relationship that had existed when they were united since the Administrator of ARS continued to coordinate all scientific activities within the USDA. The Federal Extension Service was less closely connected despite its complementary educational programs. In December 1962, it was transferred on a "temporary" basis to the Agricultural Marketing and Stabilization group.[342]

Director of Science and Education Established 1963

When Secretary Freeman appointed an Assistant Secretary for Marketing and Consumer Services in October 1963, he shifted the Federal Extension Service again, placing its programs within a new Science and Education group. Anticipating congressional authorization for an additional Assistant Secretary in the near future, Freeman named a Director of Science and Education in December 1963 to provide overall coordination to the activities of the Agricultural Research Service, the Cooperative State Research Service (a

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[339] USDA, Secretary's Memo. No. 1462, July 19, 1961; Secretary's Memo. No. 1446, February 24, 1961.

[340] Secretary's Memo. No. 1446, Supplement 2, April 19, 1961; Secretary's Memo. No. 1458, June 14, 1961.

[341] Secretary's Memo. No.1507, February 24, 1962; Secretary's Memo. 1510, August 6, 1962.

[342] USDA, Press Release 4502-62, December 26, 1962.

new appellation for the Cooperative State Experiment Station Service bestowed in November 1963), the Federal Extension Service, and the National Agricultural Library. Nyle C. Brady, an administrator, professor, and researcher in Cornell University's agronomy department, accepted the post of Director. Remaining in that position until September 1965, he returned to Cornell to direct the agricultural experiment station in New York.[343]

Still failing in his bid to get approval for Assistant Secretary-status for the leader of the Science and Education group, Freeman simply tapped the Assistant Secretary for Marketing and Consumer Services to act concurrently as the Director for these programs. Although his appointment was announced as an interim arrangement until a replacement for Brady could be found, George L. Mehren continued to function in this dual capacity from October 1963 until leaving government service in June 1968. At that time, Ned D. Bayley was promoted from the Deputy Director's slot to become Director of Science and Education. Prior to his selection as deputy to Mehren, Bayley was a scientist within the Agricultural Research Service.[344]

Agricultural Research Service

Throughout the period of the Kennedy-Johnson Administrations the organizational structure of Agricultural Research Service programs in research and animal and plant disease and pest control remained fairly stable, although subject to the administrative adjustments inherent in national government. Like all USDA agencies during the tenure of Orville Freeman, however, ARS became more avowedly consumer oriented. The Secretary of Agriculture encouraged the agency to stress the consumer benefits of its scientific and regulatory activities, pointing out in numerous speeches that a century of effort had provided Americans as a whole with the most nutritious, safe, and relatively inexpensive selection of foods of any people in history.[345]

Byron T. Shaw, ARS Administrator since the agency was established in 1953, fully endorsed Freeman's shift in emphasis, going so far as to suggest to him that the USDA might be more appropriately named the Department of Food and Agriculture. The seriousness of the Agricultural Research Service's commitment to consumer concerns was emphasized in September of 1965 when Shaw was succeeded as Administrator by George W. Irving, Jr., the former Deputy Administrator of Nutrition, Consumer, and Industrial Use

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[343] "LBJ History," pp. 566-67. The National Agricultural Library was a new designation for the USDA's library, in existence since 1864. Gladys L. Baker, et al., Century of Service, p. 510.

[344] Agricultural Research Service, Temporary Circular 65-162, October 15, 1965; ARS, Administrator's Letter, July 5, 1968.

[345] See, for example, Orville L. Freeman, Address to the Annual Minnesota State ASCS Conference Banquet, St. Paul, January 9, 1969.

Research in the agency.[346]

Research Programs of ARS

The major component of the Agricultural Research Service, as the agency's title indicated, was its research activities that combined a mixture of basic and applied scientific investigations in an array of disciplines on the whole range of agricultural commodities, as well as in human nutrition. Research, of course, had been at the core of the Department's mission to improve the farm and rural sector over the course of its one hundred-year history. This was no less true in the 1960s, as scientific discovery continued to inform policy decisions about all USDA programs concerning food production, distribution, safety, and nutrition.

The Agricultural Research Service during the 1960s was governed by a system of Deputy Administrators with responsibility over large program areas which were further subdivided into Divisions, each headed by a Director. One Division, that of Foreign Research and Technical Programs, reported directly to the ARS Administrator because it coordinated a range of international research activities which called upon the scientific expertise of the entire agency. ARS scientists conducted investigations at the agency's own outposts scattered over the globe to develop biological methods of pest control, discover treatments for exotic plant and animal diseases, and improve storage and transportation practices to preserve the quality of American commodity exports. Additionally, the Foreign Research and Technical Programs Division administered programs of research conducted by foreign scientists subsidized through grants made available from "excess" foreign currencies earned through the sale of commodities in the P.L. 480, Food for Peace project. By August 1967, when the bureau was renamed the International Programs Division, $37 million worth of grants funded 500 active projects in thirty nations. The International Programs Division also arranged special training sessions for foreign scientists at ARS installations at home and abroad, provided technical assistance for U.S. Agency for International Development programs overseas, and lent support to the work of the international research centers.[347]

To better coordinate the domestic research efforts undertaken by ARS with those of other public and private institutions, Secretary Freeman created a new Deputy Administrator for Research Planning and Coordination in October of 1961. Liaison duties with a variety of producer-dominated research advisory committees and the State experiment stations previously had been carried out by an Assistant to the Administrator and a Deputy Administrator for Experiment Stations, respectively, under the former structure. The new Deputy Administrator was also made responsible for overall planning in ARS and for the Central Project Office which maintained a file of active, federally

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[346] Ernest G. Moore, Agricultural Research Service (New York: Frederick A. Praeger, 1967), p. 81; ARS, Temporary Circular 65-105, June 30, 1965.

[347] ARS, Temporary Circular 67-113, August 31, 1967; ARS, Administrator's Letter, February 3, 1967.

funded research projects. In September 1964, these activities were shifted to a Research Program Development and Evaluation Staff set up under the nine-month-old Science and Education Director's office. Two years later, the Central Project Office began abandoning its card-file system in favor of a computerized data bank dubbed the Current Research Information System, a process that was completed in 1969.[348]

Agricultural Research Service programs in those areas most closely associated with increasing and maintaining the productive capacity of the farm sector were headed by a Deputy Administrator of Farm Research throughout the 1960s. Excepting the April 1961 transfer of the Farm Economics Research Division to the Economic Research Service and the November 1961 absorption of the Territorial Experiment Stations Division into the Crops Research Division, the Divisions included under Farm Research remained stable throughout the period.[349] While the titles of the Animal Disease and Parasite Research Division, Agricultural Engineering Research Division, Animal Husbandry Research Division, Crops Research Division, Entomology Research Division, and the Soil and Water Conservation Research Division remained unchanged, their research thrusts did not. Mounting concerns over chemical pest control methods in particular and conservation issues in general combined with growing scientific sophistication over the decade to challenge investigators to delve into new areas on a whole range of questions related to agriculture.

Administrative arrangements in other ARS research areas were more directly effected by the Department's determination to expand its support beyond its traditional farm clientele. In October 1961, a Deputy Administrator for Nutrition and Consumer-Use Research was appointed to take over the activities of the Director of the Institute of Home Economics. The Divisions of Clothing and Housing Research, Human Nutrition Research, and Consumer and Food Economics Research (formerly titled Household Economics Research) were transferred intact. All three divisions were included under a new Deputy Administrator for Nutrition, Consumer, and Industrial-Use Research in a 1963 move that administratively merged their programs with those undertaken by four large regional commodity utilization research laboratories. Extremely popular because of the stream of useful processes and products that had flowed from their investigations since the early 1940s, the regional utilization laboratories reported through a Deputy Administrator for Utilization Research and Development from 1957 to 1963. In grouping the utilization

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[348] ARS, Temporary Circular 61-152, October 25, 1961; ARS, Temporary Circular 65-105, June 30, 1965; "LBJ History," pp. 567-68; American Agricultural Economics Association Committee, "Report by the AAEA Committee on the Current Research Information System," paper submitted to the AAEA Board of Directors, July 1983, p. 2.

[349] Secretary's Memo. No. 1446, February 24, 1962; ARS, Temporary Circular 61-156, November 3, 1961.

laboratories with those small divisions devoted to home economics and nutrition research under a new title, the Department evidenced its commitment to enhancing the visibility of its consumer services. In a further effort to consolidate lines of authority in 1966, the Consumer and Food Economics Research Division absorbed the functions of the Clothing and Housing Research Division.[350]

Research programs aimed at preserving the quality of farm commodities beyond the farm gate were added to the responsibilities of ARS in July 1964. The Divisions of Market Quality Research and Transportation and Facilities Research, whose investigations were natural extensions of much of the crop improvement work done in ARS, were transferred from the Agricultural Marketing Service and placed under a Deputy Administrator for Marketing Research.[351]

The research activities of the Agricultural Research Service absorbed the attention of over 3,500 permanent, full-time scientists by 1969. Much of their work was conducted at the Agricultural Research Center, a complex of laboratories, greenhouses, barns, and poultry houses located on about 10,000 acres near Beltsville, Maryland, fifteen miles northeast of Washington, D.C. During the 1960s, increasing numbers of their investigations were pursued at field stations located out in the States as USDA administrators successfully coupled their need for more modern research facilities with the desire of congressmen for Federal installations in their political districts. By 1967, ARS had 132 principal field stations in thirty-nine States, the District of Columbia, the Virgin Islands, and Puerto Rico. Most of the field stations were located in close proximity to State experiment stations whose scientists often collaborated with ARS personnel in research projects. So complex was the task of maintaining this extensive domain that Secretary Freeman placed all ARS personnel and procurement activities under a Deputy Administrator for Administrative Management in October of 1961.[352]

Funding for ARS research activities increased dramatically over the decade despite frequent battles between the executive and legislative branches over the profusion of field stations. Both the Kennedy and Johnson Administrations' annual budgets sought to slow the growth in research expenditures as a way of keeping the ever expanding treasury outlays within bounds during this era of increased spending for social entitlement and

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[350] ARS, Temporary Circular 61-148, October 20, 1961; Moore, Agricultural Research Service, p. 81.

[351] Vivian Wiser and Douglas E. Bowers, Marketing Research and Its Coordination in USDA: A Historical Approach (Washington: USDA Economic Research Service, Agricultural Economic Report No. 475, 1981), p. 71; Secretary's Memo. No. 1554, Supplement 1, June 19, 1964.

[352] USDA, Profile of Scientists in Research Activities of the Agricultural Research Service (Washington: USDA, March 1970), p. 4; USDA, The Agricultural Research Center of the United States Department of Agriculture (Washington: Agricultural Information Bulletin No. 189, rev. ed., 1967), p. 5-6; Moore, Agricultural Research Service, pp. 213-14, 229-34; ARS, Temporary Circular 61-148, October 20, 1961.

military programs. Congress proved more generous, voting steady increases so that by 1969, the ARS budget for research was double that available in 1961 ($147 million for 1969 vs. $71 million for 1961).[353] During the wrangling between Congress and the President over annual budget proposals, ARS budget defenders found themselves in an awkward position. The executive branch's budget bureau placed ceilings on total ARS expenditures which forced the research agency to propose curtailing less important lines of inquiry at various locations so that what money remained could be put to better use. While Congress continually called upon ARS to review its programs to pare away less crucial projects, individual congressmen kept insisting upon the addition of new research lines, complete with facilities, to meet the demands of their local constituents. In the view of one astute observer of the process, the result was that ARS was obliged to operate a "traveling circus", opening and closing facilities as power shifted in the congressional appropriations subcommittees.[354]

The skirmishes between the President and Congress usually were confined to the hearing rooms of these subcommittees but in December of 1964, open warfare erupted. Following President Johnson's request for austerity budgets throughout government, Secretary Freeman proposed closing twenty smaller ARS stations and eliminating complete lines of experiment at another twenty-eight sites to save $5 million in expenses. When the plan became public before the Administration had officially submitted its budget requests for fiscal year 1966 to the House, Congress reacted by amending an emergency supplemental appropriations bill in February 1965 to preclude any action by the USDA. Furthermore, the Senate initiated hearings on the matter, resulting in a list of "essential activities" that had to be spared. Congress eventually agreed to about one-half the proposals but thenceforth took pains to restrict the Secretary's discretionary authority over ARS funds.[355]

Regulatory and Control Programs of ARS

Agricultural Research Service divisions responsible for administering a host of laws and regulations aimed at eradicating or controlling animal and plant pests and diseases

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[353] Public Law 90-463, August 8, 1968; U.S. Congress, House Committee on Appropriations, Department of Agriculture and Related Agencies Appropriation Bill, 1962: Report (87th Cong., 1st sess., Report No. 448, June 1961, p. 38.

[354] Don F. Hadwiger, The Politics of Agricultural Research (Lincoln: University of Nebraska Press, 1982), pp. 121-23.

[355] "LBJ History," pp. 564-65; Moore, Agricultural Research Service, pp. 179-87; USDA, "Reductions in Research, December 31, 1964," typescript in USDA, Agriculture and Rural History Section Files; U.S. Congress, Senate Committee on Appropriations, Report on the Proposed Elimination of Research of Agricultural Research Stations and Lines of Research (89th Cong., 1st sess., Report No. 156, April 1965).

reported to a Deputy Administrator for Regulatory and Control in the 1960s. Nearly 5,000 men and women were employed in these activities by ARS at the beginning of the decade, the majority of them out in the States where they cooperated with local inspectors in a variety of programs concerned with plant and animal health and food safety.[356]

Federal-State cooperative campaigns to control or eradicate infectious diseases of livestock and poultry were administered by an Animal Disease Eradication Division. While continuing a USDA program begun in the 1930s to eradicate recurring outbreaks of foot-and-mouth disease, the Division also assumed responsibility for a hog cholera eradication campaign given legislative sanction in 1961. By 1966, hog cholera outbreaks were down by 52 percent and by 1967, brucellosis infections were down to 1 percent of all cattle tested as a result of tagging programs that allowed infections discovered during processing to be traced back to herds. The Animal Disease and Eradication Division was merged with the Animal Inspection and Quarantine Division in 1965 to form the Animal Health Division, thus integrating control programs from ports of entry through the slaughterhouse. Already responsible for ensuring the humane treatment of livestock transported in interstate trade, the Animal Health Division added the duties of regulating the sale and use of laboratory animals in 1966.[357]

When the Animal Inspection and Quarantine Division was dissolved in August 1965 in favor of a larger Animal Health Division, its responsibility for regulating vaccines, serums, and diagnostic agents used in the treatment of animal diseases was invested in a new Veterinary Biologics Division. The Division continued USDA programs in licensing manufacturers of livestock drugs and in monitoring purity, potency, and safety claims of the products.[358]

ARS activities concerned with animal pests were complemented by similar programs aimed at preventing the introduction and spread of plant pests. A Division of Plant Quarantine enforced the provisions of a 1912 Plant Quarantine Act by stationing inspectors at all major airports, seaports, and border crossings to prevent the importation of plant pests or plants and soil that might harbor insects, bacteria, fungi, viruses, nematodes, or other organisms potentially injurious to plants. A Plant Pest Control Division directed its resources toward suppressing or eradicating already established agricultural crop pests by conducting plant pest surveys, pest control operations, and pesticide-residue monitoring studies in cooperation with State officials.

The Plant Pest Control Division also carried out the Department's responsibilities

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[356] Moore, Agricultural Research Service, p. 228.

[357] John A. Schnittker, "Remarks Before the Annual Kansas Conference on Veterinary Medicine, Manhatten, Kansas, June 5, 1967"; National Hog Cholera Eradication Program Act, 75 Stat. 481 (1961); Laboratory Animal Welfare Act, 80 Stat. 350 (1966).

[358] Federal Register, vol. 31, no. 2, January 5, 1966, p. 101; Moore, Agricultural Research Service, p. 72.

legislated in the Federal Insecticide, Fungicide, and Rodenticide Act of 1947 (FIFRA) until Secretary Freeman elevated the branch with this duty to divisional status in November of 1961.[359] FIFRA required manufacturers to register all pesticides offered for sale in the United States with the USDA, which checked the products' claims to efficacy and safety before approving them for use. The Pesticide Chemical Amendments of 1954 brought the Food and Drug Administration into the registration process, giving that agency the duty of setting human safety tolerances for pesticide residues on fresh fruits, vegetables, and other raw foods. This information was provided to the USDA for use in its certification deliberations. In 1959, the provisions of FIFRA were extended to defoliants, desiccants, nematocides, and plant growth regulators.[360]

The task of certifying chemicals for use on agricultural crops proved an increasingly difficult one as the appetite of farmers for ever more powerful pesticides which emerged from the scientists' laboratories after World War II outpaced the scientists' ability to determine the compounds' potential effects on human health and the general environment. Analytical methods did improve, however, and their findings began to raise questions in the scientific community over the hazards of indiscriminate pesticide use. These mounting concerns exploded into public controversy in 1962 with the publication of Silent Spring authored by Rachel Carson. In vivid prose, Carson painted a picture of a dying world poisoned by "miracle" pesticides. The USDA and land-grant college science and education establishment was scored for promoting the adoption of a whole generation of powerful, persistent pesticides heedless of the long-term consequences of their use.[361]

The public furor which followed the publication of Silent Spring had an enormous impact on both the research and regulatory programs of the Agricultural Research Service. In May of 1963, the President's Science Advisory Committee released a report which challenged the very concept of pest eradication and recommended closer coordination among all government agencies to monitor pesticide residues. A Senate subcommittee at the same time began fifteen months of intermittent hearings that underlined the need for more research and tighter controls. In May 1964, President Johnson signed a bill to amend FIFRA to close a handful of loopholes widely condemned for hampering the effective regulation of pesticides. Most significantly, the 1964 amendments prohibited manufacturers from the practice of marketing pesticides "under protest" while the USDA gathered court-acceptable proof of the products' dangers. Furthermore, legal procedures for cancelling registrations in light of new evidence and for subsequently appealing cancellations were

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[359] ARS, Temporary Circular 61-162, November 22, 1961.

[360] Congressional Quarterly Service, Congress and the Nation, 1945-1964: A Review of Government and Politics in the Postwar Years (Washington: Congressional Quarterly Service, 1965), pp. 1160, 1164.

[361] Rachel Carson, Silent Spring (Boston: Houghton Mifflin, 1962).

added to the law.[362]

Administrative adjustments within the executive branch in general and the USDA in particular sought to strengthen regulatory procedures as well. Just prior to the approval of the FIFRA amendments, the USDA, the Department of Interior, and the Department of Health, Education, and Welfare signed a formal memorandum of agreement to coordinate pesticide registration, set permissible residue tolerances, and exchange research findings. The Pesticide Registration Division retained its registration responsibility but was to submit all proposals to Interior's Fish and Wildlife Service and HEW's Public Health Service and Food and Drug Administration for comment.[363] A Federal Committee on Pest Control began meeting in the summer of 1964 to enhance communication between the various cabinet departments concerned with the issue. At the same time, Secretary Freeman named a Pesticide Coordinator to serve under the Science and Education Director then, in February 1965, convened a permanent Executive Committee on Pesticides with representatives from ARS, the Cooperative State Research Service, the Federal Extension Service, and the Forest Service.[364]

ARS activities in this field also were strengthened in both the regulatory and research areas. Cooperating with a number of other Federal and State agencies, the Plant Pest Control Division launched a program in 1964 to monitor pesticide levels in crops, soils, and water. Within four years, nearly four thousand sites in twenty States were part of the sampling system. Research into alternatives to chemical control methods was stepped up, particularly those featuring the introduction of natural enemies and parasites to control pest populations. These investigations were hardly new: the Director of ARS's Entomology Research Division testified before Congress in 1963 that about half of the work on conventional insecticides done by ARS and the State experiment stations prior to the mid-1950s had been shifted to non-chemical control methods since that time.[365] Eradication campaigns employing the release of massive numbers of male insects sterilized by radiation also were initiated by ARS in the 1960s. One such project involving the screwworm fly was declared a success in 1965 after a three-year effort, prompting Congress in 1966 to approve a program of cooperation with Mexico to create a fly-free barrier zone on the United States border. Sterilized gypsy moths were released in New York and Pennsylvania in the summer of 1967 and sterile pink bollworm moths were introduced in the San Joaquin

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[362] Moore, Agricultural Research Service, pp. 188, 193-201; Congressional Quarterly, Congress and the Nation, pp. 1183-84; Amendments to FIFRA, 78 Stat. 190 (1964).

[363] USDA, Press Release 1163-64, April 9, 1964.

[364] "LBJ History," pp. 587-88.

[365] Ibid., pp. 589-90; E.F. Knipling, "Statement Before the Subcommittee on Reorganization and International Organization of the Senate Committee on Government Operations, October 7, 1963," in Agriculture and Rural History Section Files.

Valley of California in the spring of 1968. Neither program repeated the success of the screwworm effort.[366]

While biological control techniques added another weapon to the arsenal of pest management the explosive growth in the use of chemicals continued during the 1960s. Controversy over the registration of pesticides continued to plague ARS as well. A report issued by the General Accounting Office in September 1968 found serious deficiencies in the operations of the Pesticides Regulation Division, citing as evidence the fact that the Division had initiated no criminal prosecutions during the previous thirteen years. A congressional investigation launched in the spring of the next year found that the USDA had repeatedly ignored HEW objections to the registration of as many as 1,600 pesticides since 1964 and that it had failed to take adequate steps to remove hazardous products from the market despite clear authority to do so. While the final committee report did admit that substantial progress in enforcement had been made since the appointment of a new Director in 1967 and applauded more recent efforts to establish guidelines for criminal prosecutions, regulation continued to be a difficult issue for the Department which was criticized for its close relationship to the manufacturers of pesticides.[367]

Until mid-decade the Agricultural Research Service also had responsibility for ensuring the safety of meat sold in the United States by the terms of the Meat Inspection Act of 1890 and a similar Poultry Inspection Act of 1957. These operations, conducted by the Meat Inspection Division of ARS until February 1965, were transferred at that time to the Consumer and Marketing Service, a new agency which consolidated all inspection and grading activities of the USDA under a single administrative head. ARS surrendered over half of its regulatory and control staff as a result of the reorganization designed to give consumer service programs more recognition as a mission of the Department.[368]

Despite the loss of meat inspection duties and the appropriations authorized for their operation, budgets for ARS regulatory and control divisions grew appreciably during the 1960s. Funds amounted to almost $74 million in 1961, $22 million for meat inspection programs alone. In 1969, $87 million was available even without meat inspection activities. Increased funds allowed a general expansion of eradication, control, and inspection

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[366] "LBJ History," pp. 581-82; Public Law 89-521, July 27, 1966.

[367] U.S. Congress, House Committee on Government Operations, Deficiencies in Administration of Federal Insecticide, Fungicide, and Rodenticide Act: Report (91st Cong., 1st sess., Report No 91-637, November 1969).

[368] Consumer and Marketing Service, Notice 1, February 8, 1965; Moore, Agricultural Research Service, pp. 80-81.

programs in cooperation with State officials.[369]

Cooperative State Experiment Station Service: 1961-63

The oldest and most extensive cooperative program between the USDA and the States was that embodied in the State agricultural experiment stations system. From 1888 until 1953, responsibility for overseeing Federal funds to the agricultural research efforts associated with the land-grant institutions was invested in the Office of Experiment Stations. When the Agricultural Research Service integrated the activities of the various USDA scientific bureaus in the latter year, experiment station affairs were included as a division. The reorganization had never been welcomed by the land-grant university administrators who consistently protested the apparent devaluation of the stations' work in the Department's administrative structure. The State agricultural experiment stations, the system's supporters maintained, deserved representation in Department counsels at a level equal to that of ARS since their research effort was commensurate with that of the Federal arm of the science and education partnership. Furthermore, the experiment stations in association with the State land-grant colleges trained the successive generations of scientists for the entire public agricultural research system. In 1969, over 70 percent of the scientists in ARS were products of the land-grant institutions which, in aggregate, had awarded more than fourteen thousand doctoral degrees in disciplines related to agricultural science over the previous ten years.[370] Orville Freeman, himself a product of Minnesota's land-grant institution, proved responsive to favoring a higher profile for State research programs and created a Cooperative State Experiment Station Service (CSESS) in September of 1961. To head the newly independent agency, Freeman tapped George Selke as Acting Administrator and Harold C. Knoblauch as Deputy Administrator. Selke had entered government service in January 1961 as an assistant to the USDA Secretary and Knoblauch had been the Director of the State Experiment Stations Division of ARS since 1954. Knoblauch continued to serve as CSESS Deputy Administrator when a successor to interim head Selke was named in May 1962. Theodore C. Byerly, a scientist with twenty years of experience with the Agricultural Research Service, became the agency's new leader.[371]

Cooperative State Research Service

In November 1963, one month before a Director of Science and Education was

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[369] Public Law 86-532, June 29, 1960; U.S. Congress, Committee of Conference, Appropriations for the Department of Agriculture and Related Agencies, 1969: Conference Report (90th Cong., 2d sess., House Report No. 1794, July 1968).

[370] USDA, Profile of Scientists, p. 6; Wallace E. Huffman, "Production of Scientists for U.S. Agriculture by Land-Grant Universities: 1920-1980," Iowa State University Department of Economics Staff Paper No. 138, March 1984, p. 22.

[371] Secretary's Memo. No. 1462, July 19, 1961 and No. 1462, Supplement 1, August 30, 1961; USDA, Press Release 2144-62, June 11, 1962.

named to oversee the agencies formerly grouped under Federal-State Relations, CSESS was rechristened the Cooperative State Research Service (CSRS). The new title reflected broadened responsibilities of the agency with the initiation of Federal support for cooperative forestry research, a program that involved a handful of institutions outside of the State agricultural experiment stations. Byerly continued in his post as Administrator. CSRS initially maintained the divisional structure upon which CSESS was founded. In fact, the Divisions of Animal Science; Plant Science; Agricultural Economics, Marketing, and Rural Life; and Utilization, Home Economics, and Human Nutrition essentially were the same as the "programs" represented in the old Division of State Experiment Stations of ARS. Early in 1964, CSRS subunits again became "Programs" and the Agricultural Economics, Marketing, and Rural Life Division was renamed the Economics, Marketing, Rural and Community Development Program. Later the same year the Utilization, Home Economics, and Human Nutrition unit was split into a Utilization Research Program and a separate Human Nutrition and Consumer Use Research Program.[372]

CSRS during the 1960s instituted a number of changes in its traditional programs of support for the experiment stations in an effort to enhance the quality of research to meet escalating demands on the system. Freed from the onerous duty of auditing station accounts early in the decade, CSRS began to restructure on-site review activities to provide more useful evaluations of ongoing investigations and to help in future planning. To improve the quality of staff scientists and administrators, Byerly actively sought to place CSRS personnel in temporary assignments at State stations in need of experienced research managers. State station scientists similarly were encouraged to come to Washington or to serve CSRS on a part-time basis in the field to make better use of their special expertise on a national level. Throughout the decade, the Cooperative State Research Service sought to become more than a way station through which congressional appropriations passed to the States. By positioning itself instead as a facilitator of program improvement, CSRS became a repository and broker of scientific and administrative talent available to every State agricultural experiment station.[373]

Legislation Affecting the State Agricultural Experiment Stations

While the Amended Hatch Act of 1955 consolidated the variety of congressional mandates which extended Federal funding to the State agricultural experiment stations, the process of legislative fragmentation began anew in the 1960s. The 1955 legislation retained the essential characteristics of the original Hatch, Adams, Purnell, Bankhead-Jones, and Research and Marketing Acts in that, with the exception of a portion of funds set aside for

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[372] USDA, Press Release 4008-63, November 22, 1963; USDA, Telephone Directories: 1964.

[373] Norwood Allen Kerr, The Legacy: A Centennial History of the State Agricultural Experiment Stations, 1887-1987 (Columbia: Missouri Agricultural Experiment Station, 1987), pp. 105-07.

marketing studies, it allowed nearly total discretion to the States in determining research directions. The legislation passed in the 1960s departed from this principle in directing funds to congressionally specified areas. Although relatively little money was set aside under the new acts, they reflected a changing attitude on the part of national policymakers toward public support of agricultural research. As a result the Cooperative State Research Service programs of review and coordination expanded beyond the traditional experiment stations.

President Kennedy signed the McIntire-Stennis Cooperative Forestry Research Act into law in 1962 to encourage scientific investigation to enhance the value of the nation's vast forest resources. Each State was to match on a dollar-for-dollar basis Federal appropriations disbursed by a formula that took into account the State's acres in commercial timberland, the value of timber annually cut, and the amount of funds spent in forestry research. Most research funds were forwarded to existing State experiment stations but ten additional universities with expertise in forest science also were eligible. Congress first made McIntire-Stennis money available at a level of $1 million in 1964. In 1969, nearly $3.5 million was forwarded through CSRS.[374]

Congress began to impinge upon the State stations' traditional discretion in allocating formula funds as early as 1961 when it reserved a minuscule portion of the next year's Hatch appropriations for the weed research. It did so again for the 1965 fiscal year, directing the experiment stations to use part of their Federal largess to strengthen pesticide research programs. In that same year, the initial appropriations authorized for the Research Facilities Act of 1963 to upgrade laboratories were similarly reserved for facilities devoted to investigations aimed at restricting the use of potentially hazardous chemicals employed in farming.

In 1965, Congress provided a formal legislative mechanism to direct the experiment stations' attention to specific areas of constituent concern and to problems of interstate magnitude. Public Law 89-106 authorized "specific research grants" (commonly referred to as "Special Grants") for selected investigations of less than five-years duration. The USDA already had the authority to make such grants to public and private institutions for basic research by the provisions of Public Law 85-934 of 1958. Little use, however, had been made of the earlier act because of the difficulty in defining "basic", as distinct from "developmental" and "applied", research. The Special Grants law made such decisions unnecessary and became a favored tool for lawmakers to meet the demands of powerful constituents and to address emerging problems of national significance.[375]

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[374] McIntire-Stennis Cooperative Forestry Research Act, 76 Stat. 806 (1962); Cooperative State Research Service-Station Letter-2445, May 14, 1965; Kerr, Legacy, pp. 109-11.

[375] Kerr, Legacy, pp. 112-14; U.S. Congress, Senate Committee on Agriculture and Forestry, Facilitating the Work of the Department of Agriculture: Report (89th Cong., 1st sess., Report No. 506, July 1965), p. 5.

Special Grants amounted to less than 3 percent of Federal appropriations to the State experiment stations in 1966, the year they first became available. Their importance, then, lay not in their effect on the direction of investigations at the stations but rather in giving Congress a method by which it could indicate its concerns and in opening up the Federal agricultural research treasury to participants outside the traditional system. Special Grants were available, at least in theory, to all public and private research institutions, organizations, and individuals with the capacity "to further the programs of the Department." In practice, the State experiment stations were virtually the sole beneficiaries of the Special Grants program in the 1960s, with the exception of one major group of institutions. Responding to President Johnson's call for Federal agencies to take the lead in overcoming barriers to advancement for black Americans during this turbulent era of civil rights activism, the USDA convinced Congress to use Special Grants, beginning in 1967, to foster the development of scientific expertise in the existing system of predominantly Negro land-grant institutions.

Since their creation with Federal support under the Second Morrill Act, the sixteen "1890 Institutions" had operated in the South to provide higher education to those traditionally denied admission to the white State land-grant colleges. The research programs developed by the 1890 colleges were minimal as a consequence of decades of financial neglect on the part of Southern State legislatures. While the infusion of a small amount of Federal support (only $283,000 for each of the years 1967 through 1969) did little to immediately change the situation, the new funds did provide a beginning for incorporating an additional source of scientific talent into the public research establishment.[376]

Despite the new funding categories for forestry research and Special Grants, Hatch formula funds continued to provide the major share of the State stations' Federal support in the 1960s. From 1961 to 1969, the amount of these appropriations increased by 64 percent, from just over $32 million to a little more than $53 million. Special Grant funds rose from $1.6 million in 1966 to $2 million in 1969, including the $283,000 reserved for the 1890 Institutions. Funds made available to the stations by their State legislatures grew at more rapid rate, nearly doubling during the decade so that in 1969, over $173 million came to the stations from State coffers. Thus, while Congress began to exert more control over Federal research dollars to the stations, the stations were becoming less dependent on Federal sources of revenue.[377]

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[376] Kerr, Legacy, pp. 115-16; B.D. Mayberry, ed., Development of Research at Historically Black Land-Grant Institutions (N.p.: Association of Research Coordinators, Land-Grant 1890 Colleges and Universities, 1976), pp. 41, 43.

[377] Cooperative State Research Service, "Cooperative State Research Service Appropriation History," summary chart prepared by CSRS Program Development and Budget Office, Washington, 1984; Cooperative State Experiment Station Service, Funds for Research at State Agricultural Experiment Stations: 1961 (Washington: USDA, 1962); CSRS, Funds for Research at State Agricultural Experiment Stations and Other Cooperating Institutions: 1969 (Washington: USDA, 1970).

Planning Activities in the Public Agricultural Research System

As national policymakers began to monitor more closely the Federal-State partnership in agricultural research in the 1960s, new calls for better coordination in the setting of priorities and the planning of investigations arose. A variety of groups representing the Federal agricultural research agencies, their State experiment station partners, and commodity producers and processors already existed at the beginning of the decade and they adjusted their activities to better meet demands in the 1960s for greater accountability. Other advisory groups came into being to serve specific purposes during the same period.

For the USDA, an interagency Research Council had been created in 1954 to coordinate Agricultural Research Service programs with those of the Farmer Cooperative Service, Agricultural Marketing Service, and Forest Service. The new ARS Deputy Administrator for Research Planning and Coordination chaired the group between 1962 and 1964, when the head of Science and Education's Research Program Development and Evaluation Staff assumed the assignment.[378]

The major task of representing the State experiment stations in national counsels was performed in the 1960s by the Experiment Station Committee on Organization and Policy, just as it had been since 1905. A subdivision of the national land-grant college association, ESCOP was composed of agricultural research administrators from the State experiment stations who convened to communicate with each other, their partners in the USDA, and national research policymakers. While an Executive Committee existed to represent the stations between full convocations of ESCOP, it lacked the continuity of membership to respond quickly to emerging issues on the regional and national levels. As a result a system of Directors-At-Large, featuring one representative from each of the four regional Directors' associations, evolved between 1960 and 1967 to function as a national resource group with liaison duties between the Washington bureaucracy and the State stations.[379]

Farm producers lent advice on the direction of publicly supported agricultural research through a system of advisory boards established by the terms of the Research and Marketing Act of 1946. A National Advisory Committee consisting of eleven members, six of whom were representatives of commodity producers, met first in 1946, changed its name to the Agricultural Research Policy Committee in 1949, and became the National Agricultural Research Advisory Committee in 1961. By that year, twenty-four associated subcommittees devoted to specific commodities or production/marketing functions were operating to review research programs supported by Federal funds.[380] Organized along

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[378] USDA, Administrative Memo. 108.2, January 30, 1962.

[379] Kerr, Legacy, pp. 52, 120-21.

[380] USDA Committee Control Record, October 30, 1964; USDA, "A Preliminary Summary of Progress and Plans: Vegetable Research of the United States Department of Agriculture and In Cooperation With State Agricultural Experiment Stations Prepared for the Department's Vegetable Research and Marketing Advisory Committee for Its 16th

commodity lines and dominated like their parent committee by farm producers, the advisory committees' recommendations began to resemble ever expanding "wish lists" for new research. So supportive of the ARS research effort were the committees that the House Appropriations Committee expressed its disappointment in 1961 over their consistent failure to end marginally useful research.[381]

Responding to such criticisms, Secretary Freeman restructured the research advisory committee system in 1963, reducing their number to eleven and mandating that each committee's annual session include an open forum at which representatives of producers, processors, distributors, and consumers could present written or oral testimony. In 1967, committees began to meet once every two years instead of annually.[382]

While separate advisory groups existed for each of the sectors most concerned with the direction of agricultural research, the need for some overarching coordinating committee remained. The House Appropriations Subcommittee highlighted the problem in its report on the 1962 USDA appropriations bill. After being barraged by the testimony of more than two hundred witnesses from outside the USDA alone, it called for a thorough review of agricultural research programs in the public and private sectors to determine priorities.[383]

No such study of the entire system immediately followed, although a handful of special-purpose groups did. The McIntire-Stennis Act of 1962 established two committees, one to propose procedures for the operation of the Act and another to provide continuous review of forestry research carried out by its terms. Secretary Freeman in the same year convened a standing Committee on Agricultural Science comprised of university scientists to advise the USDA on improving the quality of its research effort. In 1964, an ad hoc Livestock Research Task Force of ARS and State experiment station scientists met at the insistence of the Senate Appropriations Committee.[384]

That same committee, in 1963, echoed the House subcommittee's earlier call for a major effort to better coordinate public agricultural research. In July of 1964, Orville

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Annual Meeting, Washington, D.C. February 6-9, 1961."

[381] U.S. Congress, House Committee on Appropriations, Department of Agriculture Appropriations for 1962: Hearings (87th Cong., 1st sess., 1961), pt. 1, pp. 256-57.

[382] Secretary's Memo. No. 1544, August 26, 1963 and Memo. No. 1544, Supplement 3, July 13, 1967.

[383] U.S. Congress, House Committee on Appropriations, Department of Agriculture and Related Agencies Appropriation Bill, 1962: Report (87th Cong., 1st sess., Report No. 448, June 1961), p. 14.

[384] Secretary's Memo. No. 1542, July 26, 1963; CSRS-Station Letter-2445, May 14, 1965; Moore, Agricultural Research Service, pp. 85-86; CSRS-Station Letter-2407, October 23, 1964.

Freeman responded by naming an Agricultural Research Planning Committee under the chairmanship of the USDA Science and Education Director. Designed primarily as a joint USDA and State agricultural experiment station effort, the research planning committee also included a land-grant college president and representatives from the National Academy of Science and the President's Office of Science and Technology among its fifteen members. ARPC was subdivided into five subcommittees (long-range planning, program development, facilities, scientific manpower, and financial resources) that indicated the breadth of its concerns. Meeting only twice annually to advise the Secretary of Agriculture who had control only over the Federal research establishment, its actual power belied the ambitious scope of its responsibilities.[385]

Before the Agricultural Research Planning Committee was fully operational, the Senate Appropriations Committee again requested a full-scale review of research programs, this time in reaction to Secretary Freeman's December 1964 proposal to close out a number of ARS installations and lines of investigation. Deciding that none of the existing advisory boards had either the stature or staff support for the delicate and time-consuming task, Freeman formed an ad hoc group representing the USDA research agencies and the State experiment stations. The task force, in turn, consulted with more than five hundred agricultural leaders from public research institutions and private industry in compiling a report issued in the fall of 1966. The document that emerged, popularly known as the "Long-Range Study", broke new ground by not only suggesting ways to promote coordination within the system but also by indicating future goals and the manpower needed to reach them. Most importantly, it devised a research inventory system whereby efforts toward meeting the goals could be monitored.

The Long-Range Study classification proposal was merged with the concurrent effort to develop a computer-based project reporting and management system to become the Current Research Information System. Within a year of the report's release, a series of thirty-two Federal-State research task forces were being assembled to conduct in-depth analyses of the problem areas identified in the Long-Range Study, helping to refine the classification scheme.[386]

Efforts to improve cooperation between the partners in the public agricultural research system continued in 1968 when Secretary Freeman convened a Joint Ad Hoc Task Force on Federal-State Experiment Station Relations in Agricultural Research. Among its recommendations were the elevation of the USDA's Science and Education Director to

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[385] U.S. Congress, Senate Committee on Appropriations, Department of Agriculture and Related Agencies Appropriation Bill, 1964: Report (88th Cong., 1st sess., Report No. 497, September 1963), pp. 4-5; Secretary's Memo. No. 1561, July 24, 1961; National Association of State Universities and Land-Grant Colleges and USDA, A National Program of Research for Agriculture (Washington: NASULGC and USDA, 1966), pp. 215-15.

[386] NASULGC and USDA, A National Program of Research for Agriculture; "Minutes of the Experiment Station Committee on Organization and Policy, May 10-11 and November 12, 1967.

assistant secretary status and the replacement of the Agricultural Research Planning Committee by a more broadly based Agricultural Research Policy Advisory Committee. Both suggestions were to come to pass in future years as the USDA in cooperation with the State agricultural experiment stations continued to adjust its science and education programs to meet new challenges.[387]

16. Economic and Statistical Research

Statistical work was one of the first functions of the Department and its predecessor organizations. In the late nineteenth and early twentieth centuries, serious economic analysis joined the list of USDA functions. In 1922 economics and statistics were combined in the Bureau of Agricultural Economics, an organization which became increasingly powerful during the New Deal as a center for planning and policy-making. During the 1940's this combination of economic analysis and policy-making came under attack, as did the Bureau's publication of several controversial social research studies. In 1953 the Bureau was abolished as part of a general reorganization which put the emphasis on action agencies rather than discplinary lines. The economic and statistical functions of BAE were divided between the Agricultural Research Service and the Agricultural Marketing Service.

With the election of the Kennedy administration in 1961, interest in recombining economics work revived. Secretary Freeman's chief economics advisor, Willard W. Cochrane of the University of Minnesota, saw in a new economics agency the chance to increase the importance of economics in Department affairs and raise the morale of economists. Cochrane and Freeman, however, were also determined to keep the new agency from the fate of the BAE. When the Economic Research Service began operating on April 3, 1961, its head was a civil service appointee who, unlike the BAE chief, did not report directly to the Secretary but to a Director of Agricultural Economics. Economic policy-making would be handled by the Secretary and Director, removing ERS from political pressure. A special Staff Economists Group in the Director's office would also assist in doing staff work related to policy. ERS research was to be oriented toward current problems but politically neutral. Nathan Koffsky, an economist from the BAE and AMS, was appointed administrator of ERS. With about 1,000 employees from AMS, ARS, and FAS, the new agency was the largest economics organization in the Government.[388]

The 1961 reorganization created another agency reporting to the Director of

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[387] NASULGC and USDA, Federal-State Experiment Station Relations in Agricultural Research: Report of a Task Force ([Washington: USDA], October 1968).

[388] USDA, Secretary's Memorandum No. 1446, February 24, 1961 and Supplement 1, April 3, 1961; USDA Press Release #546-61, February 24, 1961; "Establishment of Staff Economists Group," Agricultural Economics Circular No. 1, April 17, 1961. Over half of ERS employees came from AMS; U. S. Congress, Senate Appropriations Committees, Hearings for 1963, 316. ERS had five divisions (after two marketing divisions were consolidated): Agricultural Regional Analysis, Development and Trade Analysis, Marketing Economics, Farm Economics, and Economic and Statistical Analysis.

Agricultural Economics, the Statistical Reporting Service with some 800 employees from AMS. Thus, unlike the BAE organization, statistics was separated from economics work. Harry Trelogan, formerly AMS Assistant Administrator for Marketing Research, was appointed its first administrator.

Initially, both ERS and SRS did work that closely resembled the economics and statistical work that had been performed under the BAE. The 1960's brought important shifts for both agencies. ERS began with a budget breakdown of about $3.4 million each for marketing and farm economics, with domestic and foreign economic analysis funded at $2.7 million.[389] But farming in this period was undergoing the rapid change from relatively small, general farms to larger, more specialized and more highly capitalized farms. Moreover, interest increased during the 1960's in such issues as rural development, the environment, and foreign trade. These different priorities brought a shift in ERS focus away from some of the more traditional areas like marketing research and farm management. Because ERS personnel ceilings remained stable during the 1960's, new work had to use resources previously committed to other lines.

A new direction was apparent from the outset, when Cochrane set out to strengthen foreign analysis. Foreign work had not been part of the BAE in 1953 and the inclusion of two foreign divisions from FAS reflected the increased importance of exports and foreign aid programs. The first new work given ERS was the preparation of a world food budget, bringing together data on world production, supply, and demand so that global food needs could be calculated. ERS received roughly 25 percent more for foreign work in its first budget.[390] Another change was the rapid utilization of economic analysis in the administration's price support policies, which Cochrane was attempting to overhaul. Economic analysis would play a more important policy role in Freeman's administration than it had in Benson's even though ERS was not directly involved in policy-making. Rural development and natural resources were other areas receiving boosts under Freeman. Spurred by the Freeman administration's expanded rural development and food stamp programs and President Johnson's War on Poverty, ERS' rural development work expanded and began receiving funds from the Office of Equal Opportunity and other outside agencies. In 1965 a new division was created to handle rural issues, the Economic Development Division. Similarly, the Natural Resource Economics Division also appeared in 1965, a reflection of greater interest in the environment and an expansion of river basin and watershed work.[391]

Changes in the Director's office affected ERS operations after 1964. Cochrane left the Department in 1964 after his program of mandatory price supports had failed to pass. He was briefly replaced as Director by staff economist John Schnittker, who left in 1965 to

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[389] U. S. Congress, Senate Committee on Appropriations, Hearings...Agricultural Appropriations for 1962, 680.

[390] Memorandum from Willard W. Cochrane to [Orville Freeman] on the World Food Budget, May 11, 1961; ERS Preliminary Budget, April 10, 1961.

[391] USDA Press Release #3422-65, November 2, 1965; Economic Research Service, ERS Memorandum No. 40, August 13, 1965.

become Undersecretary. With Schnittker's departure, Koffsky succeeded to the Director's position. In 1967 Walter Wilcox of the Library of Congress' Congressional Research Service replaced Koffsky. Cochrane's relations with the Congressional appropriations committees had been somewhat strained due both to his price support policies and Congressional uneasiness over a new economics organization. During the latter half of the 1960's, ERS generally received a warmer reception in Congress.[392] When Koffsky left ERS to become Director in 1965, he was succeeded as Administrator by M. L. Upchurch, another long-time BAE/ERS economist with a farm economics background. Upchurch continued the trend toward newer lines of work.

The Statistical Reporting Service also went through important changes during the 1960's. Part of this reflected newer areas of interest, such as consumer preference surveys[393]. But the techniques being used by SRS were also undergoing considerable revision. Traditionally, USDA statisticians relied on volunteer farmers and businessmen to supply data on crop conditions, yields, prices, and other information. By the early 1960's some 700,000 such volunteers reported to SRS. Their data went first to SRS field statisticians in the states and the Washington office then put together the national picture. The Crop Reporting Board in Washington produced its estimates in the secrecy of a carefully guarded lockup, releasing them at a scheduled time to the eagerly awaiting press. During the 1950's research began on ways to improve the accuracy of statistics gathering. Congress appropriated $250,000 for this purpose in 1952 and the result was a long-term program for improving estimates. New methods such as enumerative surveys, probability sampling and objective yield surveys were recommended. Under the latter technique, for example, random field plots were counted carefully at different stages in the growing season. A pilot study using these techniques in 10 states began in 1954. After SRS was created in 1961, Congress granted $750,000 to implement the long-range program. By 1967 the new methods were in operation in nearly every state.[394]

A development that aided both economics and statistical work was the increasing use of computers in USDA. As mainframe computers became important in statistical work, USDA began acquiring them. By 1962 the Secretary could report that, "Automatic data processing equipment is being used extensively in the Department."[395] Data processing centers were planned for Washington, Kansas City, and New Orleans. In 1966 USDA opened its Washington Data Processing Center in the South Building with 28,000 square feet of floor space. Operated by SRS, the center served 13 USDA agencies and handled

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[392] Interview with John Schnittker, June 1, 1989.

[393] USDA Press Release #247-62, January 19, 1962; Maragaret Weidenhamer, "A Review of Consumer Research on Citrus Products Conducted by the Statistical Reporting Service," paper presented at the Conference on Citrus Chemistry and Utilization, 1967.

[394] USDA, Statistical Reporting Service, "Crop and Livestock Reporting: The First Century" ..... , July 1966; ibid., "100 Years of Crop and Livestock Reports...A Chronology of Development and Progress," ..... [filed 5/1/66]; ibid., "Crop and Livestock Estimates," ..... [filed 5/1/67]; USDA Press Release, ..., December 20, 1963.

[395] Secretary's Memorandum No. 1509, July 31, 1962.

the work previous done on 11 rented computers. The New Orleans center was established in 1967 under ASCS. Starting in 1962, large computer purchases were coordinated by the Office of Management Appraisal and Systems Development. After a memorandum from President Johnson urging the wider adoption of computers in Government, Secretary Freeman set up the Office of Management Improvement to oversee USDA data processing.[396]

17. Extension Service

The Extension Service has been the great educational arm of the U. S. Department of Agriculture. USDA had undertaken an impressive program of scientific research in its first half century but had found it difficult to reach ordinary farmers through technical bulletins. The Extension Service, founded on a permanent basis by the Smith-Lever Act of 1914, was to take the findings of USDA research directly to the people through a vast network of state and local agents. Extension soon became a remarkable example of federalism--the coordination of local, State, and Federal governments to jointly funded agents in every rural county. Program initiatives came not just from the top down but from local communities and State Extension offices, as well. Local communities hired Extension agents, raising funds with the help of the American Farm Bureau Federation, which had been organized largely to support Extension. On the State level, Extension was usually coordinated through the land-grant college.

Initially, the Extension Service concentrated on three themes--improving farm efficiency, home economics, and youth education through 4-H clubs. All these activities were directly primarily to farm families and other rural people. The number of Extension employees grew rapidly--to nearly 6,000 by 1930. During the New Deal Extension took on a number of new educational duties in such areas as price support policies, conservation, rural electrification, and farm credit. Following World War II the agency received a mandate for marketing work from the Research and Marketing Act of 1946. Because of the rapid changes in farming and farm population after the War, Extension took the lead in rural development planning in the mid-1950's. This included an approach called Program Projection by which agents aided county planning committees studying local resources and potential markets. Extension also worked out more intensive methods of teaching management on the farm with its Farm and Home Development program. Between 1953 and 1959 the number of families reached by Extension grew from 8.3 million to 13.3 million and its employees exceeded 14,000. Extension's growing responsibilities were highlighted and encouraged in a 1958 report by Extension and the land-grant universities, commonly known as the "Scope Report."[397]

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[396] Secretary's Memorandum No. 1509, July 31, 1962; No. 1599, July 28, 1966; No. 1620, July 31, 1967. The Kansas City center was also operated by ASCS.

[397] Wayne D. Rasmussen, Taking the University to the People: Seventy-five Years of Cooperative Extension (Ames, Iowa: Iowa State University Press, 1989), 95-107; Gladys L. Baker, et. al., Century of Service: The First 100 Years of the United States Department of

Extension Organization in 1961

The Extension Service organization by 1961 was a complex one involving all three levels of Government and the private sector as well. At the top was a small Federal Extension Service office headed by an administrator who reported an Assistant Secretary for Federal-State Relations. The Federal office coordinated the overall Extension program and disbursed federal money, which in 1960 accounted for 38 percent of the total spent on Extension. Most of these funds came from Smith-Lever Act appropriations, which were divided up among the States (with matching requirements) according to a formula based upon their farm and rural populations. Beginning with Clarence Ferguson (1953-1960), heads of the Federal Extension Service usually came directly or indirectly from the State Extension Services. Paul Kepner (1960-61) was the last director with lengthy Washington experience. He was succeeded by E. Travis York (1961-1963) of the Alabama Extension Service and Federal Extension's youngest director, and Lloyd H. Davis (1963-1970), who had served as deputy administrator on the Federal staff after a career in New York and Massachusetts Extension offices. Federal directors usually enjoyed good relations with Congressional Appropriations Committees. Jamie Whitten, Chairmen of the Department of Agriculture and Related Agencies Subcommittee of the House Appropriations Committee, often defended Extension programs against encroachments by other agencies. Congress in the 1960's usually increased Extension's budget by more than the administration's request.[398]

On the State level, a state director of Extension, appointed in consultation with the Secretary of Agriculture, was based in the 1862 land-grant university. The 1890 schools generally had an administrator who handled black extension programs in the South. The State directors put together annual plans of work for the State and developed a budget along with USDA. State funds also accounted for 38 percent of the total Extension budget in 1960, a year when State Extension employment reached 2,885.[399] Locally, nearly all counties had Extension agents. Most counties also had home economists and 4-H agents and some had experts on particular crops or other fields, depending on how much local Governments wished to spend. Most specialists, though, were at the land-grant schools and, occasionally, at the level of area agents who provided specialized expertise for several counties. It was the county Extension staff, numbering 11,723 in 1960, that had the main job of meeting directly with Extension's constituents. Local Governments provided 23 percent of Extension funds in 1960. Agents might be paid by the State or county, but it

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Agriculture (Washington: U.S. Department of Agriculture, 1963), 398; Report of the Secretary, 1960, 37; Extension Committee on Organization and Policy, The Cooperative Extension Service Today: A Statement of Scope and Responsibility (np, 1958).

[398] Ovid Bay, Extension Service Fact Sheet: Administrators of the Extension Service, Extension Service, February 1983; U.S. Congress, House Committee on Appropriations, Hearings... Agricultural Appropriations for 1961, pt. 1, 653-654; 1963, pt. 2, 750; 1966, pt. 2, 477-478; Joint USDA-NASULGC Extension Study Committee, A People and a Spirit (Fort Collins: Colorado State University, 1968), 20.

[399] Groening, Table 13a.

was usually local money that supplied support staff and office space. Similarly, staff might be appointed locally or by the State; technical direction usually came from the State level but projects were often initiated locally. Local advisory committees were important in setting the county agent's agenda. Composed largely of commercial farmers, they tended to favor traditional Extension projects oriented toward farm families. Private money, which had been relatively high in Extension's early years, had bottomed out at 1-2 percent of the total by 1960. On the other hand, the number of volunteers aided Extension programs had risen to 1.3 million by 1960. Extension's leadership training helped preserve a strong role for lay leaders in Extension courses. Providing overall advice on policies and programs was the Extension Committee on Organization and Policy (ECOP) of the National Association of State Universities and Land-Grant Colleges. Previously, Extension also had close ties to the American Farm Bureau Federation, whose local chapters had been founded to furnish support for county agents during Extension's early years. During the 1950's these ties were formally severed, but informal links persisted between the two organizations in some states. Extension personnel also had the support of several professional organizations.[400]

New Directions under Freeman

When Secretary Freeman came to office in 1961, he soon put himself behind the idea of continuing to expand Extension's mission beyond its original mandate. "Extension Service has been far more effective in developing and spreading improved production techniques than in assisting the adjustment of agriculture to the accompanying social and economic changes," he remarked in a 1962 speech to Extension workers. Extension, Freeman said, "must assume much broader responsibility than it has in the past." This responsibility included consumers as well as farm people and meant expanded education in areas related to rural development.[401] Freeman was echoed by Extension Administrator E. Travis York, Jr., who held that Extension could both improve its technical advice in agriculture and marketing while increasing the scope of its work.

Calls for adding to Extension's functions came against a backdrop of debate on whether the organization had become outmoded. The changing nature of agriculture--the decline in the farm population and increased capitalization and specialization of farming--were causing some people to question Extension's preoccupation with farmers. Not only were there fewer farmers, those that remained were becoming increasingly sophisticated and looked for technical advice less to Extension agents and more to machinery and chemical companies. An Iowa poll in 1963 found that a large percentage of farm people there had little conception of what Extension did. Looking over the poll results, the Des

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[400] Rasmussen, Taking the University to the People, 5-12, 253; John W. Jenkins, "Historical Overview of Extension," (unpublished manuscript for Extension Evaluation Project), April 1979, 37-40; C. Austin Vines and Marvin A. Anderson, eds., Heritage Horizons: Extension's Commitment to People (Madison, Wis.: Journal of Extension, 1976), 93.

[401] Orville L. Freeman, Address before Annual Conference of the Federal Extension Service, Washington, DC, January 10, 1962.

Moines Register concluded that Extension was overstaffed and out of touch with agriculture. What it needed now was to "become a general educational service more than a technical farm service," giving attention to such areas as industrial development, land zoning, and public schools.[402] Some interpreted Freeman's call for broadening Extension's role as an unwise move to insert Extension into policy-making. During the 1963 referendum on the mandatory wheat program, Extension was accused, in some States, of taking the Administration's side in favor of the program and, in others, of being under Farm Bureau influence in encouraging opposition to it.[403]

Despite some controversy, support for Extension remained strong in the farm community and in Congress and the Freeman Administration proceeded with plans to expand its program. This policy was helped by a change in the Smith-Lever formula in 1962 by which 4 percent of any increase in that fund was given to the Federal Extension Service, which used the money to try new projects on a pilot basis. By the same Act, the States were to receive 20 percent of the remaining increase in formula funds on an equal basis--a move that helped strengthen Extension in urban States. About 1965 Extension succeeded in getting Congress, which usually preferred formula funding, to approve the use of Section 3(d) of the Smith-Lever Act for a separate allocation for pesticides, one of the new areas Extension was becoming active in and an early example of funds earmarked for a special purpose. Later, Section 3(d) would be used for a variety of programs, especially in the area of nutrition. The use of funds outside the customary formula enabled the Federal office to take the initiative with ideas that local advisory committees had less interest in.[404]

One of the first areas affected by the Freeman Administration was rural development. Under Freeman, the pilot rural development projects of the late 1950's were expanded into a national program. Extension's role, however, was altered. Previously, Extension had taken a leading part in planning rural development, especially through the use of local committees. After 1961, USDA oversight was vested in a new Office of Rural Areas Development and overall direction was assigned to the Department of Commerce. Extension's role became more restricted to education but it still had an important part locally in organizing the rapidly expanding rural areas development committees. With rural development functions also assigned to a number of other agencies, like the departments of Commerce, Labor, and HEW, Extension was required to interact with many Federal as well

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[402] Des Moines Register, December 15, 1963.

[403] New York Times, January 21, 1962; Fred Bailey, Jr., "Extension Service Fights for Survival," Banking 56 (December 1963), 82-83; Don F. Hadwiger and Ross B. Talbot, Pressures and Protests: The Kennedy Farm Program and the Wheat Referendum of 1963 (San Francisco: Chandler Publishing Company, 1965), 294-297. In many States, the wheat referendum also gave Extension agents experience in handling a controversial public policy question in an objective manner, something that would help in future Extension work.

[404] Public Law 87-749, 76 Stat. 745, October 5, 1962; U.S. Congress, House Committee on Appropriations, Hearings... Agricultural Appropriations for 1966, pt. 2, 461, 474; Jenkins, "Historical Overview of Extension," 47-48.

as local organizations. Extension worked on local projects of all sorts, including the improvement of public community facilities, development of leadership, and the attraction of new businesses such as recreation.[405]

Extension likewise joined the anti-poverty programs of the 1960's. In the early 1960's work was expanded on nutrition. These efforts increased with the War on Poverty starting in 1964. That year it was estimated that Extension agents spent one-third of their time working with low income clients. Extension cooperated with other anti-poverty organizations like VISTA. Special educational materials were developed for low income people on such subjects as house cleaning, nutrition, money management, and child development. The results of this work was significant. As the Secretary noted in 1965, "Reports show that homemakers have cut grocery bills and families are eating better; houses have been fumigated; clothes have been repaired and renovated; better use is being made of donated foods, especially dried milk; [and] simple home repairs have been made...."[406]

Anti-poverty work was a means by which Extension increased its involvement in urban centers. Prior to the 1960's Extension had ventured little into cities except on an experimental basis. In 1961 ECOP approved a study of urban projects and the report, made in 1964, recommended an expansion of urban work and the hiring of more urban 4-H staff. The anti-poverty programs gave an impetus to urban Extension even though Federal funds for it were slow in coming. As an example, Extension signed an agreement in 1964 with the Public Housing Administration to assist both urban and rural families in finding inexpensive public housing. Home economics and public information work was also extended to urban areas in many States, generally aimed at the poor. The Joint USDA-NASULGC Extension Study Committee report of 1968, A People and a Spirit, showed the change in attitudes toward urban work when it urged Extension to "evolve its future programs on a basis of public need rather than upon artificial geographic boundaries....there should be an increasing commitment in urban areas in the years ahead."[407]

Another Extension organization undergoing change was 4-H. Founded in during the early years of Extension as an educational tool for young people, the system had grown

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[405] Wayne D. Rasmussen, "90 Years of Rural Development Programs," Rural Development Perspectives 2 (October 1985), 3-4; Report of the Secretary, 1961, 32, 1962, 44-45, 1966, 42, 45; Orville L. Freeman, Address before Annual Conference of the Federal Extension Service, Washington, DC, January 5, 1966. The House Appropriations Committee viewed Extension's altered role in rural development with skepticism, preferring to see its earlier function continued; U. S. Congress, House Committee on Appropriations, Hearings...Agricultural Appropriations for 1962, pt. 1, 653, 658; 1963, 759-764.

[406] Report of the Secretary, 1965, 54, 1964, 61-62, 1966, 94-95, 1968, 144; USDA, Press Release 1471-67, May 11, 1967.

[407] Joint USDA-NASULGC Extension Study Committee, A People and a Spirit, 53; USDA, Press Release 572-64, February 20, 1964; Thomas Wessel and Marilyn Wessel, 4-H: An American Idea, 1900-1980 (Chevy Chase, Md.: National 4-H Council, 1982), 195-211.

by 1961 to include 2.3 million members between the ages of 10 and 21 organized in some 95,000 clubs. Slightly over half these members came from farm homes and nearly a fifth from urban areas. 4-H clubs were serviced by both paid staff and volunteers and often received aid from private sources as well as Government funds. The private funds enabled clubs to have activities outside the purview of the Government program. The National 4-H Club Foundation, set up in 1948, sponsored the National 4-H Center in Chevy Chase, Md. and engaged in fund-raising and educational activities.[408]

A number of new 4-H initiatives became important in the 1960's, supplementing traditional programs in agriculture and home economics. One was a serious effort to reach urban youth. Like other USDA personnel, 4-H officials were aware of the rapidly declining farm population. Membership in 4-H suffered a slight but palpable drop between 1960 and 1966 due not only to urbanization but the initial effects of desegregation on Southern clubs. In the 1950's many States had experimented with urban projects but as late as 1963 none received either State or Federal funds. Serving urban youth implied a shift in emphasis to projects less rural in nature and there was some reluctance in 4-H to do this. Nevertheless, 4-H became established in a number of urban areas. As part of this change, 4-H began to de-emphasize its club-like side with its strict rules and regulations in order to permit less structured, "self-determined" projects. A number of areas were singled out for special attention in the 1960's. These included science, which had gotten a boost in the post-Sputnik era, and career development, a major program begun in 1956. Others were nutrition, beautification, civil defense, and health. As part of the War on Poverty, some projects were aimed especially at poor youth; in 1967 the Department estimated that over a third of 4-H members came from families with incomes under $3,000. Television became an important medium for 4-H during the 1960's and in 1968 a national 4-H television coordinator was appointed. In 1964 Extension launched Operation Expansion, a membership drive designed to turn around 4-H's waning membership by using more volunteers and increasing services. By 1970 4-H could claim 3 million participants in its programs.[409]

Despite all the emphasis on new areas of work, Extension did not neglect its farm constituents. As York argued, opening Extension to new programs did not mean Extension had to abandon its role as a technical agency for agricultural production and marketing. Extension agents kept abreast of new research in both areas and disseminated the results to farmers. Livestock farmers, for example, benefitted from on-the-farm testing, dairy producers from personal visits by dairy experts. The Farm and Home Development program of the 1950's, an effort to improve farm management by treating the farm and home as a single unit and giving intensive assistance to individual families, was expanded in the 1960's. Young couples received special treatment and computers began to be used to

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[408] Report of the Secretary, 1961, 33; Wessel and Wessel, 4-H, 67-71.

[409] Wessel and Wessel, 4-H, 196-217, 250-273, 306-307; Report of the Secretary, 1960, 33; 1965, 54-55; 1967, 49; Vines and Anderson, eds., Heritage Horizons, 159-163. Part of the membership increase came from counting "participants" instead of just regular club members (Wessel and Wessel, 210-211).

help analyze family finances. Home economists were active in the Farm and Home Development Program. Their field, like other areas of Extension, was influenced by the changes of the postwar world. Home economists continued their work on nutrition, health, housing, and family well-being, sponsoring some 57,000 homemaker clubs and councils. But there was greater emphasis in the 1960's on working with disadvantaged families. The 1967 ECOP report, Extension Home Economics Focus on the Family, highlighted the transformation of the family, including new roles for women, increasing materialism, and changes in family values. The report urged home economists to adapt their programs to reflect these changes.[410]

Extension and Civil Rights

One of Extension's most difficult problems in the 1960's was in the area of civil rights. After the Smith-Lever Act, Extension had set up separate black extension services in about a third [check official #] of the South's counties with black county agents and home economics specialists to serve black farmers and homemakers. These agents had become important leaders in the black community as well as transmitters of information from USDA. But black Extension employees had never been close to working on an equal basis with the rest of Extension. The black workers formally reported to a black state extension office usually located at the state's 1890 college. But, because of local funding, black agents were often informally under the supervision of white county agents. Black agents earned lower salaries and had proportionately smaller budgets to work with. 4-H programs were also segregated in the South, often centered in the black public schools. In place of the national meetings which white 4-H'ers enjoyed, black 4-H'ers held a regional meeting.[411]

When the Civil Rights Act passed in 1964, great change was inevitable but it did not come easily. Extension's Federal organization and limited authority from the national office made it difficult to require desegregation of local programs. The 4-H program was a case in point. Extension dropped the black regional conference in 1961, opening the national conference to anyone regardless of race. But the choice of delegates was in the hands of state 4-H leaders and only one state, Maryland, sent a black delegate to the 1962 national conference. An Extension memorandum in 1965 ordered that all 4-H clubs be integrated by the end of that year or lose Federal assistance. Local compliance varied widely, though, and 4-H membership plummeted in some Southern states. The fact that 4-H was integrated before many school districts also cut club attendance in places where clubs were based in schools. The U.S. Civil Rights Commission strongly criticized Extension in its 1965

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[410] E. Travis York, Jr., Address before the Land-Grant Centennial Seminar, Rutgers University, March 5, 1962, 5-7; Report of the Secretary, 1960, 33; 1961, 32-34; 1962, 45-48; 1966, 21, 93-94; 1967, 97; 1969, 20-21; Rasmussen, Taking the University to the People, 153-157, 160; Joint USDA-NASULGC Extension Study Committee, A People and a Spirit, 27.

[411] Earl W. Crosby, "The Struggle for Existence: The Institutionalization of the Black County Agent System," Agricultural History 60 (Spring 1986), 123-136; Wessel and Wessel, 4-H, 165-167.

report on civil rights for changing too slowly. Moreover, once achieved, integration often brought an initial decline in service to black clients in the South. Integration meant a sharp reduction in the apparatus that had been designed especially to reach blacks. Black Extension officials often had to take lesser jobs in the newly integrated State and local Extension offices. Nevertheless, civil rights enforcement offered the promise that all Americans would receive equal access to Extension programs.[412]

The new path that Extension was taking could be seen in the 1968 USDA-NASULGC report, A People and A Spirit. Written at a time of "pervasive social problems [and] and economic revolution of great magnitude which has accentuated the disparity between different economic levels," the report dealt forthrightly with the ways Extension should meet the challenge before it. Extension, it said, should both "adapt its staff and program effort to serve more adequately the broad range of social and economic problems of the nation while strengthening its assistance to the agricultural sector of the economy." But the emphasis was clearly on social and economic problems. The report recommended "major expansion of activity in programs dealing with social and economic development and quality of living."[413] This ambitious program entailed more attention to low income rural residents, urban areas, and youth and family education. It also highlighted--for the first time in a general Extension evaluation--the role of the 1890 land-grant colleges in Extension work. For agriculture, the committee suggested shifting programs more toward marketing and management while relying on agribusiness for much technical production information. A broadened international program was also contemplated. To achieve these goals, the committee recommended more specialized education for Extension agents, the appointment of more multi-county area agents, and greater social science training for home economists. Extension never received the funding increases that would have enabled it to put all these recommendations into action, but the report did point to the direction in which Extension was headed.[414]

18. National Agricultural Library

Disseminating information was also the duty of the USDA Library. The 1862 Organic Act creating the Department required the Commissioner of Agriculture to "acquire and preserve in his Department all information concerning agriculture which he can obtain by means of books and correspondence."[415] This culminated a drive dating back at least to George Washington's "Farewell Address" urging the establishment of a national institution

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[412] The National 4-H Center in Chevy Chase, Md. had been open to all races since 1952. Wessel and Wessel, 4-H, 169-182; Joel Schor, "The Black Presence in the U.S. Cooperative Extension Service Since 1945: An American Quest for Service and Equity," Agricultural History 60 (Spring 1986), 144-148; New York Times, March 7, 1965.

[413] Joint USDA-NASULGC Extension Study Committee, A People and a Spirit, 89.

[414] Ibid., 37-38, 89-93.

[415] U.S. Department of Agriculture, Report of the Commissioner of Agriculture for the Year 1962 (Washington: Government Printing Office, 1862), 1.

"charged with collecting and diffusing information."[416]

From the first librarian, Aaron Burt Grosh (1867-1869), through Stuart Eldridge (1869-1871), John B. Russell (1871-1877), Ernestine H. Stevens (1877-1893), William P. Cutter (1893-1901), and Josephine A. Clark (1901-1907), the Department Library experienced growth in the collection, space problems, and increased user demand for services. By the close of the 19th century, the Library had started printing catalog cards for Department publications and making them available to other libraries; 75 percent of the Library's 68,000 volumes dealt specifically with agricultural matters. Under the leadership of Claribel Barnett from 1907 to 1939, the Library successfully reached out to an ever expanding user community in the agricultural sciences through the country and pioneered the substitute of micrographic reproductions on film for the actual loaning of books and periodicals. When Ralph R. Shaw became Director of the Department Library, he undertook a major reorganization and consolidation of library operations. In addition to establishing the Bibliography of Agriculture, Shaw introduced new management practices and pioneered technological improvements in photocopying and microfilming techniques.[417]

NAL under Foster Mohrhardt (1954-1968)

Through improvements in organization, technological innovations, and effective library management, the Library continued to advance in size, research importance, and world-wide access to its collection. In May 1962 a special land-grant college Advisory Committee to the National Agricultural Library recommended to Freeman that support be increased for NAL's acquisition program, for the Bibliography of Agriculture, for automation, and for

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[416] George Washington, "Farewell Address," December 7, 1796, in John C. Fitzgerald, ed., Writings of George Washington from the Original Manuscript Sources, 1945-1799 (Washington: Government Printing Office, 1938), XXXV, 315-316, 501.

[417] Charles H. Greathouse, "Development of Agricultural Libraries," in USDA, Yearbook of the Department of Agriculture, 1900 (Washington: Government Printing Office, 1900), 504-505; Claribel Barnett, "Relations of the Agricultural College and Experiment Station Libraries to the Library of the Federal Department of Agriculture," American Library Association Proceedings 9 (July 1915), 156-159; Letter from Watson David, Director, Science Service, Washington, DC to Paul H. Appleby, Assistant to the Secretary, USDA, August 5, 1935, NAL Archives. See also Barnett, "The Bibliofilm Service...," Agricultural Library Notes 11 (January 1938), 55-60; Letter from Vernon D. Tate, Executive Secretary and Archivist, National Microfilm Association to Joseph F. Caponio, Associate Director, NAL, March 1971, NAL Archives; Foster E. Mohrhardt, "The Library of the Department of Agriculture," Library Quarterly 27 (April 1957), 75-78; Ralph R. Shaw, "The Organization of the Department Library," talk given before the Organization and Procedure Conference of the Department of Agriculture, December 13, 1943, NAL Archives.

new library facilities.[418]

On May 23, 1962 Secretary Freeman officially designated the Department Library as the National Agricultural Library, making it only the second library to receive this title. Next to the Library of Congress, it was the largest Government library. An Advisory Committee on Library Services, established June 14, 1963, improved coordination of programs and services between NAL and the libraries at the land-grant colleges. Chaired by the Administrative Assistant Secretary, the committee included the Director of NAL and librarians from several university libraries.[419]

In 1964 Congress made funds available for preliminary studies and planning for a new library building. The selection of a location in Beltsville, Maryland enabled the Library to remain in the Washington metropolitan area as well as to maintain its essential liaison with the other two national libraries while also providing improved services to the departmental scientists at the Agricultural Research Center there. Construction began in 1965 and the cornerstone was laid by Secretary Freeman on September 21, 1967.

By this time NAL's holdings comprised the most extensive agricultural collection in the world. The card catalog alone included over 90,000 subject headings and cross references. In addition to publication of the Dictionary Catalog of the National Agricultural Library, 1862-1965, NAL was also exchanging about 200,000 departmental publications annually with over 7,000 institutions and agencies in more than 150 governments.[420]

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[418] Letter and attached report from the Advisory Committee, the National Agricultural Library, to the Orville Freeman, May 21, 1962, NAL Archives.

[419] USDA, Secretary's Memorandum No. 1496, March 23, 1962; No. 1534, June 14, 1963. The other national library at the time was the National Library of Medicine in Bethesda, Maryland. The Food, Agriculture, Conservation and Trade Act of 1990 gave Congressional blessing to NAL's national library designation.

[420] Scientific Information Activities of the Federal Agencies--Department of Agriculture, Part III, No. 30 (March 1965), 3-13. For an overview historical survey, see Alan Fusonie, "The History of the National Agricultural Library," Agricultural History Journal 62 (1988), 189-207.